GEODRILL LIMITED
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE PERIOD ENDED SEPTEMBER 30, 2025

Management's discussion and analysis ("MD&A") is a review of the operations, the liquidity and the results of operations and capital resources of Geodrill Limited ("Geodrill") including its wholly owned subsidiaries, Geodrill Ghana Ltd, Geodrill Mauritius Limited, Geodrill Cote d'Ivoire SARL, Drilling Services Malta Limited, Vannin Resources, Unipessoal Limitada, Geodrill Sondagens LTDA, Silver Back Egypt for Mining and Drilling Services S.A.E., Geodrill for Leasing and Specialized Services Freezone LLC, Geodrill Leasing Company Limited, Geodrill Senegal SARL, Company AL-TANQIB AL-MUTAKHIS For Mining LLC, Geodrill Zambia Limited being Geodrill Limited's registered foreign Zambian operating entity, Geodrill BF being Geodrill Cote d'Ivoire SARL's registered foreign Burkina Faso operating entity, Geodrill Mali being Geodrill Cote d'Ivoire SARL's registered foreign Mali operating entity, Geodrill Mauritius Egypt Branch Limited being Geodrill Mauritius Limited's registered foreign Egypt operating entity, Recon Drilling S.A.C. of which Geodrill owns a 95% shareholding, Recon Drilling Chile SPA of which Geodrill owns a 95% shareholding and Geo-Drill SARL of which Geodrill owns a 95% shareholding, GTS Drilling Ltd a company under common control, collectively referred to as the "Group". The unaudited condensed interim consolidated financial statements were prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS"). This discussion contains forward-looking information. Please see "Forward-Looking Information" for a discussion of the risks, uncertainties and assumptions relating to this MD&A.

This MD&A is a review of activities and results for three and nine months ended September 30, 2025 as compared to the corresponding period in the previous year and should be read in conjunction with the unaudited condensed interim consolidated financial statements for the three and nine months ended September 30, 2025, and also in conjunction with the audited annual consolidated financial statements and corresponding MD&A for the year ended December 31, 2024.

This MD&A is dated November 12, 2025. Disclosure contained in this document is current to that date unless otherwise stated.

Additional information relating to Geodrill, including Geodrill's Annual Information Form, can be found on SEDAR+ at www.sedarplus.ca.

All references to "US$" are to United States dollars and all references to "CAD$" are to Canadian dollars.

FORWARD-LOOKING INFORMATION

This MD&A contains "forward-looking information" which may include, but is not limited to, statements with respect to the future financial or operating performance of the Group, future growth, results of operations, capital needs, performance, business prospects and opportunities. Often, but not always, forward-looking information can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled ", "estimates", "forecasts", "intends", "anticipates" or "believes" or variations (including negative variations) of such words or by the use of words or phrases that state that certain actions, events or results "may", "could ", "would ", "might" or "will " be taken, occur or be achieved.

Forward-looking information is based on certain assumptions and analyses made by the Group in light of its experience and perception of historical trends, current conditions and expected future developments and other factors it believes are appropriate. Forward-looking information involves known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Group to be materially different from any future results, performance or achievements expressed or implied by the forward-looking information contained in this MD&A. Although the Group has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in such forward-looking information, there may be other factors that may cause actions, events or results to differ from those anticipated, estimated or intended. Should one or more of these risks or uncertainties materialize or should assumptions underlying such forward-looking information prove incorrect, actual results, performance or achievements may vary materially from those expressed or implied by the forward-looking information contained in this MD&A.

Forward-looking information contained herein is made as of the date of this MD&A and the Group disclaims any obligation to update any forward-looking information, whether as a result of new information, future events or results or otherwise, except as required by law. There can be no assurance that forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. Accordingly, readers should not place undue reliance on forward-looking information.

Corporate Overview

The Group operates a fleet of Multi-Purpose, Core, Air-Core, Grade Control and Underground drill rigs. The multi-purpose rigs can perform both reverse circulation ("RC") and diamond core ("Core") drilling and can switch from one to the other with little effort or downtime. Multi-purpose rigs provide clients with the efficiency and high productivity of RC drilling and the depth and accuracy of Core drilling without the need to have two different drill rigs on site. The Group currently has operations in four African countries and two South American countries.

The Group's rigs and support equipment also incorporate a fleet of boosters and auxiliary compressors, which enable the Group to achieve high-quality sampling and operations to greater depths.

The state-of-the-art workshops and supply bases at Anwiankwanta, Ghana, at Bouake, Cote d'Ivoire, at Marsa Alam, Egypt, at La Serena, Chile and at Lima, Peru provide centralized locations for storage of inventory, equipment and supplies, which in turn minimizes trucking, shipping and supply costs and allows the rigs and inventory to be mobilized to drill sites with minimal delay.

Business Strategy

The Group competes with other drilling companies on the basis of price, accuracy, reliability and experience in the marketplace. The Group's competitors consist of both large public companies as well as small local operators.

Management believes that the Group has a number of attributes that result in competitive advantages including:

- **Business Development**: The Group's operations in Africa and South America including the following recent and ongoing developments:

  Africa

  West Africa: The Group continues to maintain its strong presence in West Africa operating in Ghana, Cote d'Ivoire and Senegal, supported by numerous multi-rig, multi-year contracts with tier one clients. Management's plans for West Africa are to add more rigs for existing clients, add new clients and to consider new countries in West Africa to operate in.

Middle East and North Africa ("MENA"): The Group continues to operate and maintain and grow its strong presence in Egypt, supported by its multi-rig, multi-year underground contract with a tier one client. The Group has incorporated a company in the Kingdom of Saudi Arabia in anticipation of tendering on drilling contracts. Management's plans for MENA are to add more rigs for existing clients, add new clients and to consider new countries in MENA to operate in.

South America

Chile and Peru: The Group operates in both Chile and Peru. In Chile the Group was able to secure a multi-rig, multi-year contract and was able to diversify its client base so it can drill throughout the winter season. Managements intention is to focus on Chile, on large clients and multi-rig jobs and to continue to add rigs and clients. The Group believes having a significant operation in Chile is important and is moving rigs and ancillary support equipment from Peru to Chile and expects to complete its last job in Peru in the fourth quarter of 2025. In addition to Chile and Peru, the Group has a corporate entity in Brazil (although the Group is not active in Brazil). Management's plans for South America are to add more rigs for existing clients, add new clients and to consider new countries in South America to operate in.

- **A Modern Fleet of Drill Rigs and World Class Workshops:** The Group has accumulated modern state-of-the-art drilling rigs, and continues to invest in additional rigs and ancillary equipment with established centrally located world class workshops to promote client satisfaction through reliable operational performance. In addition, within the workshop in Ghana is a manufacturing facility with the capacity to produce ancillary equipment such as RC drill rods and RC wire-line drill subs in-house, reducing downtime and reliance on suppliers for these items.

- **Establishing, building and maintaining long-standing relationships with customers:** The Group has strong client relationships. Typically, a longer term client relationship for the Group originally commenced as a short term drill contract won under a competitive bidding process, which has been continually renewed as the respective drilling program of the client has progressed through various phases.

- **Support of well-established international and local vendors:** The Group has maintained long standing relationships with international vendors in Australia, Europe, North and South America and China and has also been supported in West Africa, Egypt, Chile and Peru by local branches of these suppliers and other local suppliers.

- **Local Knowledge**: The Group's local market knowledge, expertise and experience have enabled the Group to further develop the local networks required to support its operations.

- **Presence in West Africa, Egypt and South America:** The Group is able to mobilize drill rigs and associated ancillary equipment on a timely basis at the request of a client. The well-resourced, centrally located workshops further reduce downtime, as the Group can fairly quickly reach most of its current customer sites.

- **An Active and Experienced Management Team:** The Group is led by Dave Harper, President and Chief Executive Officer, Terry Burling, Chief Operating Officer, Greg Borsk, Chief Financial Officer and Greig Rodger, Executive General Manager. This group is also supported by: Stephan Rodrigue, Zone Manager – Francophone West Africa and Don Seguin, Health, Safety and Environmental ("HSE") Manager.

- **A Skilled and Dedicated Workforce:** A favorable compensation and benefits package, coupled with the Group's track record of quality hiring and commitment to frequent, relevant continuous training programs for both permanent and contract employees, has reduced unplanned workforce turnover even during robust mining cycles. This has also increased efficiency and productivity, ensuring the availability and continuity of a skilled labor force.

- **Environmental, Social and Governance (ESG)**: The Group has always considered our ESG initiatives first and foremost and it is at the center of everything we do. Operating in the mining sector, our impact on the environment has been a key focus for the Group as we continually strive to improve the environment. Our Social impact has been focused on the communities we work in, giving back to the orphanages, schools and shelters but also making sure we transfer the expertise and knowledge of our most experienced employees in developing local employees. Our governance initiatives, including our code of conduct and ethics policy, whistleblower policy, bribery and diversity policy, are developed by our board of directors and carried out by senior management throughout the organization so that each stakeholder of the Group understands the importance of good governance.

- **Maintaining a high level of safety standards to protect its people and the environment**: The Group's HSE Department oversees the design, implementation, monitoring and evaluation of the Group's HSE standards, which standards are generally considered to be stringent standards for drilling firms globally and are higher than what is currently required in all local markets in which the Group currently operates. Every aspect of the Group's operations is designed to meet the highest HSE standards and includes induction meetings, at least one safety meeting per work site, including non-exploration work sites, regular safety audits and detailed investigations of incidents.

- **Commitment to Excellence:** The Group is committed to being a company of the highest standards in every aspect of its business operations. This is the framework used by the Group to guide its personnel towards the Group's goals and to be the customer-preferred partner in providing world class drilling services.

Market Participants and Geodrill's Client Base

The Group currently operates in Ghana, Cote d'Ivoire, Senegal, Egypt, Chile and Peru. The Group's drilling focus is still principally on gold and is still primarily in West Africa, however, the Group has diversified its geographic footprint and also provides drilling services to clients in Egypt, Chile and Peru. The Group will take advantage of drilling opportunities in other minerals, including copper, lithium, zinc, iron ore, manganese, uranium, phosphate and energy. In addition, the proximity to other Middle Eastern and African countries and other South American countries positions the Group favorably in its ability to service these markets as well, if it so chooses.

In addition, given the short-term nature of certain drilling contracts, there can be no assurance that any contract that the Group currently has will be extended or renewed on terms favorable to the Group. In the event that any of its current contracts are not extended or renewed on favorable terms, or replaced with new contracts, this could have a significant impact on the Group's operations.

For the three months ended September 30, 2025, three customers individually contributed 10% or more to the Group's revenue. One customer contributed 15%, one customer contributed 11% and one customer contributed 10%.

For the three months ended September 30, 2024, three customers individually contributed 10% or more to the Group's revenue. One customer contributed 17% and two customers contributed 11%.

For the nine months ended September 30, 2025, one customer individually contributed 10% or more to the Group's revenue and that customer contributed 20%.

For the nine months ended September 30, 2024, three customers individually contributed 10% or more to the Group's revenue. One customer contributed 17%, one customer contributed 16% and one customer contributed 12%.

OUTSTANDING SECURITIES AS OF NOVEMBER 12, 2025

Geodrill is authorized to issue an unlimited number of Ordinary Shares. As of November 12, 2025, Geodrill has the following securities outstanding:

Number of Ordinary Shares	47,163,170
Number of Options	3,420,000
Diluted	50,583,170

For the nine months ended September 30, 2025, 390,000 options were issued and 750,000 options were settled with cash. Subsequent to the quarter end and up to and including November 12, 2025, no further shares were issued as a result of options being exercised and no further options were issued.

OVERALL PERFORMANCE

The Group generated revenue of US$39.0M for the third quarter of 2025, an increase of US$4.9M or 14% when compared to US$34.1M for the third quarter of 2024. The increase in revenue was a result of the Group's strategy to diversify its operations to South America, and to operate in a geographic region that is not impacted by wet season. The increase in revenue for the third quarter of 2025 was predominately the result of an increase in revenue in South America of US$5.8M, partially offset by a decrease in revenue in West Africa and Egypt of US$(0.9)M. The increase in South America was a result of the Group significantly ramping up operations in Chile for a large job in the third quarter of 2025, whereas, the decrease in revenue in West Africa and Egypt was the result of the Group no longer drilling in Mali in the third quarter of 2025 and the expected slow-down in West Africa due to the wet season occurring in the third quarter. The Group operated in Mali in the third quarter of 2024 and generated revenue of US$0.7M and had no operations in Mali in the third quarter of 2025. Excluding Mali, West Africa and Egypt declined by only US$(0.2)M for the third quarter of 2025 compared to the third quarter of 2024.

The gross profit for the third quarter of 2025 was US$2.4M, compared to a gross profit of US$8.4M for the third quarter of 2024, being a decrease of US$6.0M. The gross profit margin for the third quarter of 2025 was 6% and for the third quarter of 2024 it was 24%, a decline of 75%. Each of the Group's three operating regions contributed to the gross profit margin decline.

West Africa was responsible for 66% of the gross profit margin decline in the third quarter of 2025. In West Africa, the gross profit margin decrease in the third quarter was due to the wet season where the company drilled less meters in the third quarter of 2025 versus the third quarter of 2024, a change in the meter mix towards more core meters versus reverse circulation meters, the impact of higher wages, inflationary costs and the appreciation of the Ghana CEDI in the quarter, resulting in higher cost of sales for payroll and other costs originating in this local currency. Management expects to be extremely busy in Ghana in the fourth quarter of 2025, expects Cote d'Ivoire also to ramp up post wet season and post-election and expects Senegal to be consistent in the fourth quarter of 2025.

MENA was responsible for 17% of the gross profit margin decline in the third quarter of 2025. In Egypt, the gross profit margin decrease in the third quarter was due to less revenue and less drilling activity in the third quarter of 2025 versus the third quarter of 2024. Management believes that the restarting of numerous surface drill programs in the fourth quarter of 2025 will contribute to improved gross profits in Egypt.

South America was responsible 17% of the gross profit margin decline in the third quarter of 2025. The Group has made the strategic decision to ramp up its South American operations and has increased the rig count to 19 drill rigs in South America as at September 30, 2025, up from 9 rigs as at September 30, 2024. In conjunction with more than doubling the number of rigs over the period, revenue increased from US$0.7M in the third quarter of 2024 to US$6.6M in the third quarter of 2025, or by approximately US$5.8M. The Group has, however, incurred cost of sales exceeding revenue in relation to the rapid ramp up and starting of jobs in South America. The gross loss was predominately from our large job in Chile that significantly ramped up in the third quarter of 2025, resulting in additional costs for staffing, training, and safety and it took longer to start drilling while incurring costs in anticipation of drilling. Furthermore, once operational, the Group was not able to achieve acceptable drilling time in the third quarter of 2025 due to onboarding delays, coupled with operational issues which adversely affected revenue resulting in a gross loss, as the majority of the costs were fixed salaries and fixed operating costs. Management believes it is making progress on its large job in Chile and the Group has also restarted a significant high-altitude job in Chile at the end of Q3 2025 where we have drilled since 2022, therefore delays are expected to be minimal. The high altitude job is planned to continue through to Q2 2026. The Group will also be starting a new job in Chile in the fourth quarter of 2025. Management believes that expected improvements from the large job, the restart of the high-altitude job and the commencement of the new job in the fourth quarter of 2025 will contribute to improved gross profits in South America. (See "Supplementary Disclosure – Non IFRS Measures" on page 17).

The selling, general and administrative ("SG&A") expenses for the third quarter of 2025 were US$4.8M, being 12% of revenue compared to SG&A of US$3.9M, being 11% of revenue for the third quarter of 2024.

The expected lifetime credit recovery for the third quarter of 2025 was US$0.1M compared to an expected lifetime credit loss of US$(0.2)M for the third quarter of 2024.

The foreign exchange gain for the third quarter of 2025 was US$0.8M compared to a foreign exchange gain of US$0.3M for the third quarter of 2024 as a result of fluctuations in foreign currencies.

Other gain for the third quarter of 2025 was US$1.8M compared to an other gain of less than US$0.1M for the third quarter of 2024 relating to gains and losses on listed equity investments held at fair value through profit and loss that the Group holds.

The EBIT (as defined herein) for the third quarter of 2025 was US$0.3M, compared to EBIT of US$4.6M for the third quarter of 2024 (see "Supplementary Disclosure - Non - IFRS Measures" on page 17).

EBITDA (as defined herein) for the third quarter of 2025 was US$4.3M or 11% of revenue compared to US$7.6M or 22% of revenue for the third quarter of 2024 (see "Supplementary Disclosure – Non-IFRS Measures" on page 17).

The net loss for the third quarter of 2025 was US$(1.5)M or US$(0.03) per Ordinary Share (US$(0.03) per Ordinary Share diluted), compared to net income of US$2.6M for the third quarter of 2024 or earnings of US$0.06 per Ordinary Share (earnings of US$0.06 per Ordinary Share diluted).

The EBIT, EBITDA and net loss in the third quarter of 2025 were favorably impacted by the expected lifetime credit recovery of US$0.1M, the foreign exchange gain of US$0.8M and the other gain of US$1.8M or by a total of US$2.7M.

RESULTS OF OPERATIONS

SELECTED FINANCIAL INFORMATION

(in US$ 000's)	Three Months Ended Sep 30 2025	Sep 30 2024	% Change Sep 30 2025 vs 2024	Nine Months Ended Sep 30 2025	Sep 30 2024	% Change Sep 30 2025 vs 2024
Revenue	**38,967**	**34,091**	**14%**	**138,069**	**109,935**	**26%**
Cost of Sales	**(36,607)**	**(25,740)**	**42%**	**(110,208)**	**(81,418)**	**35%**
Cost of Sales (%)	94%	76%		80%	74%	
Gross Profit	**2,360**	**8,351**	**(72%)**	**27,861**	**28,517**	**(2%)**
Gross Profit Margin (%)	6%	24%	(75%)	20%	26%	(22%)
Selling, General and Administrative Expenses	**(4,823)**	**(3,878)**	**24%**	**(14,432)**	**(12,193)**	**18%**
Selling, General and Administrative Expenses (%)	12%	11%		10%	11%	
Expected Lifetime Credit Recover / (Loss)	**107**	**(216)**		**(71)**	**(593)**	
Foreign Exchange Gain / (Loss)	**767**	**286**		**1,575**	**(226)**	
Other Income	**1,845**	**31**		**3,900**	**81**	
Income from Operating Activities	**256**	**4,575**	**(94%)**	**18,833**	**15,586**	**21%**
Income from Operating Activities (%)	1%	13%		14%	11%	
EBIT*	**257**	**4,575**	**(94%)**	**18,833**	**15,586**	**21%**
EBIT (%)	1%	13%		14%	14%	
Finance Income	**14**	**26**		**39**	**41**	
Finance Cost	**(318)**	**(278)**		**(878)**	**(792)**	
(Loss) / Profit Before Taxation	**(49)**	**4,323**	**(101%)**	**17,994**	**14,835**	**21%**
(Loss) / Profit Before Taxation (%)	(0%)	13%		13%	13%	
Income Tax Expense	**(1,459)**	**(1,712)**		**(8,601)**	**(5,273)**	
Income Tax Expense (%)	(4%)	(5%)		(6%)	(5%)	
Net (Loss) / Income	**(1,507)**	**2,611**	**(158%)**	**9,393**	**9,563**	**(2%)**
Net (Loss) / Income (%)	(4%)	8%		7%	9%	
EBITDA **	**4,255**	**7,630**	**(44%)**	**31,765**	**24,956**	**27%**
EBITDA (%)	11%	22%		23%	23%	
(Loss) / Earnings Per Share						
Basic	**(0.03)**	**0.06**		**0.21**	**0.21**	
Diluted	**(0.03)**	**0.06**		**0.20**	**0.20**	
Total Assets	**178,028**	**162,433**		**178,028**	**162,433**	
Total Long - Term Liabilities	**4,434**	**4,679**		**4,434**	**4,679**	
Cash Dividend Declared	**NIL**	**NIL**		**NIL**	**NIL**	

See "Supplementary Disclosure Non IFRS Measures" on page 17.

*EBIT = Earnings before interest and taxes

**EBITDA = Earning before interest, taxes, depreciation and amortization

RESULTS OF OPERATIONS

THREE MONTHS ENDED SEPTEMBER 30, 2025 COMPARED TO THREE MONTHS ENDED SEPTEMBER 30, 2024

Revenue

The Group generated revenue of US$39.0M for the third quarter of 2025, an increase of US$4.9M or 14% when compared to US$34.1M for the third quarter of 2024. The increase in revenue was a result of the Group's strategy to diversify its operations to South America, and to operate in a geographic region that is not impacted by wet season. The increase in revenue for the third quarter of 2025 was predominately the result of an increase in revenue in South America of US$5.8M, partially offset by a decrease in revenue in West Africa and Egypt of US$(0.9)M. The increase in South America was a result of the Group significantly ramping up operations in Chile for a large job in the third quarter of 2025, whereas the decrease in revenue in West Africa and Egypt was the result of the Group no longer drilling in Mali in the third quarter of 2025 and the expected slow-down in West Africa due to the wet season occurring in the third quarter. The Group operated in Mali in the third quarter of 2024 and generated revenue of US$0.6M and had no operations in Mali in the third quarter of 2025. Excluding Mali, West Africa and Egypt declined by only US$(0.3)M for the third quarter of 2025 compared to the third quarter of 2024.

Cost of Sales and Gross Profit

Cost of Sales for the third quarter of 2025 were US$36.6M, compared to US$25.7M for the third quarter of 2025, being an increase of US$10.9M or 42% and reflects the following:

- Wages, employee benefits, external services, contractors and other expenses increased by US$7.5M as the Group has ramped up operational personnel in West Africa and Egypt and significantly ramped up operational personnel in South America. In addition, the annual adjustment to salary and wages, along with the appreciation of the Ghana CEDI, impacted the increase of US$7.5M.

- Drill rig expenses and fuel costs increased by US$2.4M consistent with the increase in drilling activity and revenue.

- Depreciation expense increased by US$0.9M as a result of recent additions to the Group's drill rigs and plant and equipment.

- Repairs and maintenance increased by US$0.1M as more repairs were required in the quarter.

The gross profit for the third quarter of 2025 was US$2.4M, compared to a gross profit of US$8.4M for the third quarter of 2024, being a decrease of US$6.0M. The gross profit margin for the third quarter of 2025 was 6% and for the third quarter of 2024 it was 24%, a decline of 75%. Each of the Group's three operating regions contributed to the gross profit margin decline.

West Africa was responsible for 66% of the gross profit margin decline in the third quarter of 2025. In West Africa, the gross profit margin decrease in the third quarter was due to the wet season where the company drilled less meters in the third quarter of 2025 versus the third quarter of 2024, a change in the meter mix towards more core meters versus reverse circulation meters, the impact of higher wages, inflationary costs and the appreciation of the Ghana CEDI in the quarter, resulting in higher cost of sales for payroll and other costs originating in this local currency. Management expects to be extremely busy in Ghana in the fourth quarter of 2025, expects Cote d'Ivoire also to ramp up post wet season and post-election and expects Senegal to be consistent in the fourth quarter of 2025.

MENA was responsible for 17% of the gross profit margin decline in the third quarter of 2025. In Egypt, the gross profit margin decrease in the third quarter was due to less revenue and less drilling activity in the third quarter of 2025 versus the third quarter of 2024. Management believes that the restarting of numerous surface drill programs in the fourth quarter of 2025 will contribute to improved gross profits in Egypt.

South America was responsible 17% of the gross profit margin decline in the third quarter of 2025. The Group has made the strategic decision to ramp up its South American operations and has increased the rig count to 19 drill rigs in South America as at September 30, 2025, up from 9 rigs as at September 30, 2024. In conjunction with more than doubling the number of rigs over the period, revenue increased from US$0.7M in the third quarter of 2024 to US$6.6M in the third quarter of 2025, or by approximately US$5.8M. The Group has, however, incurred cost of sales exceeding revenue in relation to the rapid ramp up and starting of jobs in South America. The gross loss was predominately from our large job in Chile that significantly ramped up in the third quarter of 2025, resulting in additional costs for staffing, training, and safety and it took longer to start drilling while incurring costs in anticipation of drilling. Furthermore, once operational, the Group was not able to achieve acceptable drilling time in the third quarter of 2025 due to onboarding delays, coupled with operational issues which adversely affected revenue resulting in a gross loss, as the majority of the costs were fixed salaries and fixed operating costs. Management believes it is making progress on its large job in Chile and the Group has also restarted a significant high-altitude job in Chile at the end of Q3 2025 where we have drilled since 2022, therefore delays are expected to be minimal. The high altitude job is planned to continue through to Q2 2026. The Group will also be starting a new job in Chile in the fourth quarter of 2025. Management believes that expected improvements from the large job, the restart of the high-altitude job and the commencement of the new job in the fourth quarter of 2025 will contribute to improved gross profits in South America. (See "Supplementary Disclosure – Non IFRS Measures" on page 17).

Selling, General and Administrative Expenses

SG&A expenses for the third quarter of 2025 were US$4.8M, compared to US$3.9M for the third quarter of 2024, being an increase of US$0.9M and reflects the following:

- Wages, employee benefits, external services, contractors and other expenses increased by US$0.8M consistent with the Group's increased activities.

- Depreciation expense increased by US$0.1M as a result of recent additions to the right of use assets.

Expected Lifetime Credit Loss

The expected lifetime credit recovery for the third quarter of 2025 was US$0.1M compared to an expected lifetime credit loss of US$(0.2)M for the third quarter of 2024, a decrease of US$0.3M relating to a change in the aging profile of the trade receivables.

Foreign Exchange Gain

Foreign exchange gain for the third quarter of 2025 was US$0.8M compared to a foreign exchange gain of US$0.3M in the third quarter of 2024 as a result of fluctuations in foreign currencies.

Other Gain / (Loss)

Other gain for the third quarter of 2025 was US$1.8M compared to an other gain of less than US$0.1M in the third quarter of 2024 relating to gains on listed equity investments held at fair value through profit and loss that the Group held.

Income from Operating Activities

Income from operating activities for the third quarter of 2025 was US$0.3M, compared to US$4.6M in the third quarter of 2024.

EBIT (see "Supplementary Disclosure – Non-IFRS Measures" on page 17)

The EBIT (as defined herein) for the third quarter of 2025 was US$0.3M, compared to EBIT of US$4.6M for the third quarter of 2024.

EBITDA and EBITDA Margin (see "Supplementary Disclosure – Non-IFRS Measures" on page 17)

EBITDA was US$4.3M for the third quarter of 2025 or 11% compared to US$7.6M or 22% of revenue for the third quarter of 2024.

Depreciation

Depreciation for the third quarter of 2025 was US$4.0M (US$3.6M in cost of sales and US$0.4M in SG&A) compared to US$3.1M (US$2.7M in cost of sales and US$0.4M in SG&A) for the third quarter of 2024.

Income Tax Expense

Income tax expense for the third quarter of 2025 was US$1.5M compared to income tax expense of US$1.7M for the third quarter of 2024. The income tax expense of US$1.5M for the third quarter of 2025 was comprised of US$1.1M relating to tax expense on taxable income and US$1.7M relating to withholding tax offset by US$1.3M relating to a deferred tax recovery.

Net (loss) / income

The net loss for the third quarter of 2025 was US$(1.5)M, or US$(0.03) per Ordinary Share (US$(0.03) per Ordinary Share diluted), compared to income of US$2.6M for the third quarter of 2024, or US$0.06 per Ordinary Share (US$0.06 per Ordinary Share diluted).

The EBIT, EBITDA and net loss in the third quarter of 2025 were favorably impacted by the expected lifetime credit recovery of US$0.1M, the foreign exchange gain of US$0.8M and the other gain of US$1.8M or by a total of US$2.7M.

NINE MONTHS ENDED SEPTEMBER 30, 2025 COMPARED TO NINE MONTHS ENDED SEPTEMBER 30, 2024

Revenue

The Group generated revenue of US$138.1M for the nine months ended September 30 2025, an increase of US$28.1M or 26% when compared to US$109.9M for the nine months ended September 30, 2024. The increase in revenue for the nine months ended September 30, 2025 was predominately the result of the significant increase in revenue in West Africa and Egypt of US$16.8M and the increase in revenue in South America of US$11.3M. The increase in revenue is a result of the increase in demand for the Group's drilling services. With the gold price averaging approximately US$3,280 during the nine months ending September 30, 2025, global exploration spending continues to be strong. The majority of exploration spending is on gold and since the Group drills approximately 90% for clients exploring for gold, this has impacted positively on the Group resulting in an increase in its revenue. The capital markets for the juniors has returned and the majors and intermediates are able to complete financing from the capital markets or are continuing to generate sufficient cash flows from their operations and are continuing to spend on production and exploration drilling.

Cost of Sales and Gross Profit

Cost of Sales for the nine months ended September 30, 2025 were US$110.2M, compared to US$81.4M for the nine months ended September 30, 2024, being an increase of US$28.8M and reflects the following:

- Wages, employee benefits, external services, contractors and other expenses increased by US$17.1M as the Group has ramped up operational personnel in West Africa and Egypt and significantly ramped up operational personnel in South America. In addition, the annual adjustment to salary and wages, along with the appreciation of the Ghana CEDI, impacted the increase of US$17.1M.

- Drill rig expenses and fuel costs increased by US$8.5M consistent with the increase in drilling activity and revenue.

- Depreciation expense increased by US$3.3M as a result of recent additions to the Group's drill rigs and plant and equipment.

- Repairs and maintenance decreased by $0.1M as less repairs were required in the period.

The gross profit for the nine months ended September 30, 2025 was US$27.9M, compared to a gross profit of US$28.5M for the nine months ended September 30, 2024, being a decrease of US$0.6M. The gross profit margin for the nine months ended September 30, 2025 was 20% and for the nine months ended September, 2024 it was 26%, a decline of 22%.

West Africa was responsible for 50% of the gross margin decline in the nine months ended September 30, 2025. In West Africa, the gross profit margin decrease in the nine month period was due to the impact of higher wages, inflationary costs and the appreciation of the Ghana CEDI in the nine month period resulting in higher cost of sales for payroll and other costs originating in this local currency.

South America was responsible for 33% of the gross margin decline in the nine months ended September 30, 2025. South America generated a gross loss in the nine months ended September 30, 2025, predominately from ramping up operations through the nine months ended September 30, 2025, resulting in additional costs and not being able to achieve acceptable drilling time on certain jobs. Management believes it is making progress on its large job in Chile and the Group has also restarted a significant high-altitude job in Chile at the end of Q3 2025 where we have drilled since 2022, therefore delays are expected to be minimal. The high altitude job is planned to continue through to Q2 2026. The Group will also be starting a new job in Chile in the fourth quarter of 2025.

MENA was responsible for 17% of the gross margin decline in the in the nine months ended September 30, 2025 as there has been less drilling shifts in the nine months ended September 30, 2025 versus the nine months ended September 30, 2024.

Selling, General and Administrative Expenses

SG&A expenses for the nine months ended September 30, 2025 were US$14.4M, compared to US$12.2M for the nine months ended September 30, 2024, being an increase of US$2.2M and reflects the following:

- Wages, employee benefits, external services, contractors and other expenses increased by US$2.0M consistent with the Group's increased activities.

- Depreciation expense increased by US$0.2M as a result of recent additions to the right of use assets.

Expected Lifetime Credit Loss

The expected lifetime credit loss for the nine months ended September 30, 2025 was US$0.2M compared to an expected lifetime credit loss of US$0.4M for the nine months ended September 30, 2024, a decrease of US$0.2M relating to a change in the aging profile of the trade receivables.

Foreign Exchange Gain / (Loss)

Foreign exchange gain for the nine months ended September 30, 2025 was US$1.6M compared to a foreign exchange loss of US$(0.2M) in the nine months ended September 30, 2024 as a result of fluctuations in foreign currencies.

Other Gain

Other gain for the nine months ended September 30, 2025 was US$3.9M compared to an other gain of less than US$0.1M in the nine months ended September 30, 2024 relating to gains on listed equity investments held at fair value through profit and loss that the Group held.

Income from Operating Activities

Income from operating activities for the nine months ended September 30, 2025 was US$18.8M, compared to US$15.6M in the nine months ended September 30, 2024.

EBIT (see "Supplementary Disclosure – Non-IFRS Measures" on page 17)

The EBIT (as defined herein) for the nine months ended September 30, 2025 was US$18.8M, compared to EBIT of US$15.6M for the nine months ended September 30, 2024.

EBITDA and EBITDA Margin (see "Supplementary Disclosure – Non-IFRS Measures" on page 17)

EBITDA was US$31.8M for the nine months ended September 30, 2025 or 23% compared to US$25.0M or 23% of revenue for the nine months ended September 30, 2024.

Depreciation

Depreciation for the nine months ended September 30, 2025 was US$12.9M (US$11.6M in cost of sales and US$1.3M in SG&A) compared to US$9.4M (US$8.4M in cost of sales and US$1.0M in SG&A) for the nine months ended September 30, 2024.

Income Tax Expense

Income tax expense for the nine months ended September 30, 2025 was US$8.6M compared to income tax expense of US$5.3M for the nine months ended September 30, 2024. The income tax expense of US$8.6M for the nine months ended September 30, 2025 was comprised of US$6.4M relating to tax expense on taxable income, US$2.1M relating to withholding tax and US$0.1M relating to a deferred tax expense.

Net income

The net income for the nine months ended September 30, 2025 was US$9.4M, or US$0.21 per Ordinary Share (US$0.20 per Ordinary Share diluted), compared to US$9.6M for the nine months ended September 30, 2024, or US$0.21 per Ordinary Share (US$0.20 per Ordinary Share diluted).

The EBIT, EBITDA and net loss in the nine months ending September 30, 2025 were significantly impacted by the expected lifetime credit loss of US$0.1M, the foreign exchange gain of US$1.6M and the other gain of US$3.9M or by a total of US$5.4M.

SUMMARY OF QUARTERLY RESULTS

	2025			2024				2023
(in US$ 000s)	**Sep 30**	**Jun 30**	**Mar 31**	**Dec 31**	**Sep 30**	**Jun 30**	**Mar 31**	**Dec 31**
Revenue	38,967	50,350	48,752	33,119	34,091	41,176	34,667	30,062
Revenue (Decrease) / Increase %	*(23%)*	*3%*	*47%*	*(3%)*	*(17%)*	*19%*	*15%*	*(1%)*
Gross Profit	2,360	11,949	13,552	6,160	8,351	12,721	7,445	4,850
Gross Margin (%)	*6%*	*24%*	*28%*	*19%*	*24%*	*31%*	*21%*	*16%*
Net (Loss) / Earnings	(1,507)	5,328	5,572	(499)	2,611	4,838	2,114	(1,377)
Per Share - Basic	(0.03)	0.11	0.12	(0.01)	0.06	0.10	0.04	(0.03)
Per Share - Diluted	(0.03)	0.11	0.12	(0.01)	0.06	0.10	0.04	(0.03)

On a comparative quarter to quarter basis, the Group's revenue of US$39.0M increased by US$4.9M or 14% compared to the third quarter ended September 30, 2024, as a result of an increase in revenue in South America slightly offset by a decrease in revenue in West Africa and Egypt. On a quarter over quarter basis, the Group's revenue decreased by US$11.4M or 23% for the third quarter ended September 30, 2025 compared to the second quarter ended June 30, 2025, a result of a slow down due to the wet season.

The operations have tended to exhibit a seasonal pattern. The first and fourth quarters are affected due to shutdown of exploration activities, often for extended periods over the holiday season, however, the first quarter of 2025 was extremely busy and was not affected by the shutdown. The second quarter is typically affected by the Easter shutdown of exploration activities affecting some of the rigs for up to one week, however, the second quarter of 2025 was extremely busy and was not affected by the shutdown. The wet season occurs (in some geographical areas where the Group operates) normally in the third quarter, but in recent years the global weather pattern has become somewhat erratic. The Group has historically taken advantage of the wet season and has scheduled the third quarter for maintenance and rebuild programs for drill rigs and equipment. The winter season occurs (in some high altitude geographical areas where the Group operates, particularly in Chile) normally in the second and third quarter. The Group has historically taken advantage of the winter season in Chile and has scheduled the second and third quarter for maintenance and rebuild programs for drill rigs and equipment.

Effect of Exchange Rate Movements

The Group's receipts and disbursements are denominated in US Dollars and certain local currencies. The Group's main exposure to exchange rate fluctuations arises from holding foreign currencies, having receivables in foreign currencies, certain capital costs, wage costs and purchases denominated in foreign currencies.

The Group's revenue is invoiced in US Dollars and certain local currencies. The Group's purchases are in Australian Dollars, US Dollars, Euros, Canadian Dollars and local currencies. Other local expenses include purchases and wages which are paid in the local currency.

SELECTED INFORMATION FROM CONSOLIDATED STATEMENTS OF CASH FLOWS

	Three months ended		Nine months ended	
(in US$ 000s)	Sep 30 2025	Sep 30 2024	Sep 30 2025	Sep 30 2024
Net cash generated from operating activities	13,931	7,567	22,338	12,340
Net cash used in investing activities	(5,856)	(4,304)	(13,525)	(11,939)
Net cash (used in) / generated from financing activities	(6,025)	1,170	(1,273)	(1,577)
Effect of movement in exchange rates on cash	(325)	180	986	(160)
Net increase / (decrease) in cash	1,725	4,613	8,526	(1,336)

LIQUIDITY AND CAPITAL RESOURCES

Liquidity

As at September 30, 2025, the Group had cash of US$21.6M and loans payable of US$10.5M, resulting in net cash (excluding lease liabilities) of US$11.1M. In addition to net cash of US$11.1M, the Group has US$9.5M still available on the US$9.5M Medium Term Loan and US$6.0M still available on the US$10.0M Revolving Line of Credit. Since the Group has loans payable, the Group continues to monitor its cash and its capital spending in conjunction with the loans that need to be repaid.

THIRD QUARTER ENDED SEPTEMBER 30, 2025

Operating Activities

In the third quarter of 2025, the Group generated net cash from operating activities of US$13.9M, as compared to US$7.6M in the third quarter of 2024. The Group realized a loss before taxation of less than US$(0.1)M for the third quarter of 2025, however, the changes in non-cash items, changes in working capital items and the payment of finance costs and income taxes increased cash by US$14.0M, resulting in cash generated from operations of US$13.9M.

Investing Activities

In the third quarter of 2025, the Group's net investment in property, plant and equipment was US$5.9M compared to US$4.3M in the third quarter of 2024. The Group continues to reinvest and upgrade its fleet in order to maintain a modern fleet of drill rigs and related equipment. The Group understands the importance of this and has significantly invested in its property, plant and equipment. Plant and equipment additions in the third quarter of 2025 included additional drill rigs, costs associated with rebuilding existing drill rigs and related equipment, additional trucks, additional light vehicles and costs associated with completing certain workshops and supply bases.

Financing Activities

In the third quarter of 2025, the Group used net cash of US$6.0M in financing activities. The Group repaid loans in the amount of US$5.0M, paid lease liabilities of US$0.3M and paid cash-settled stock options of US$0.7M. In the third quarter of 2024, the Group generated net cash of US$1.2M relating to financing activities. The Group received loans of US$3.8M, repaid loans in the amount of US$2.5M and paid lease liabilities of US$0.2M.

NINE MONTHS ENDED SEPTEMBER 30, 2025

Operating Activities

In the nine months ended September 30, 2025, the Group generated net cash from operating activities of US$22.3M, as compared to US$12.3M in the nine months ended September 30, 2024. The Group realized profit before taxation of US$18.0M for the nine months ended September 30, 2025, and, the changes in non-cash items, changes in working capital items and the payment of finance costs and income taxes increased cash by US$4.3M, resulting in cash generated from operations of US$22.3M.

Investing Activities

In the nine months ended September 30, 2025, the Group's net investment in property, plant and equipment was US$13.5M compared to US$11.9M in the nine months ended September 30, 2024. The Group continues to reinvest and upgrade its fleet in order to maintain a modern fleet of drill rigs and related equipment. The Group understands the importance of this and has significantly invested in its property, plant and equipment. Plant and equipment additions in the nine months ended September 30, 2025 included additional drill rigs, costs associated with rebuilding existing drill rigs and related equipment, additional trucks, additional light vehicles and costs associated with completing certain workshops and supply bases.

Financing Activities

In the nine months ended September 30, 2025, the Group used net cash of US$1.3M in financing activities. The Group received loans of US$10.5M, repaid loans in the amount of US$10.3M, paid lease liabilities of US$0.8M and paid cash-settled stock options of US$0.7M. In the nine months ended September 30, 2024, the Group used net cash of US$1.6M in financing activities. The Group received loans of US$10.8M, repaid loans in the amount of US$12.0M, paid lease liabilities of US$0.6M and received US$0.2M from the exercise of stock options.

Contractual Obligations

	Payments Due by			
Contractual Obligations (in US$ 000s)	Total	2025	2026	2027
Loans [(1)]	11,265	1,285	8,620	1,360
Lease liablities [(2)]	1,095	285	695	115
Total Contractual Obligations	12,360	1,570	9,315	1,475

[(1)] Loans refer to amounts owing on the US$10.0M Revolving Line of Credit, the US$7.5M Medium Term Loan and the Equipment Loan, including the related interest.
[(2)] The lease liabilities relate to the lease payments for the two real estate properties, as fully disclosed under "Transactions with Related Parties". In addition, the lease liabilities includes amounts for other operating sites.

Contractual obligations will be funded in the short-term by cash as at September 30, 2025 of US$21.6M, the US$9.5M still available on the US$9.5M Medium Term Loan, the US$6.0M still available on the US$10.0M Revolving Line of Credit and any cash flow generated from operations.

OUTLOOK

The Group has operated in West Africa for over 25 years and has invested a significant amount of capital into its drill rig fleet operating in the region with advantages in the form of experience in the market place, accuracy, reliability and safety, which have been key factors in the awarding of contracts and the increase in the Group's revenue. The Group also operates in Egypt, Chile and Peru and has also invested a significant amount of capital in Egypt and Chile to support the multi-rig multi-year contracts. The Group has decided to focus on Chile in South America and is in the process of transferring rigs and ancillary support equipment from Peru to Chile. The Group has also been successful in expanding its client base to include a mix of majors, intermediates and juniors which has contributed to the increase in overall drilling activity and a well balanced mix of drilling services. The Group is providing more drilling services to the majors and intermediates. The Group has secured numerous multi-year, multi-rig contracts and believes that these contracts will add to revenue and profitability over the next three to five years.

As at September 30, 2025, the Group had 98 drill rigs of which 96 drill rigs are available for operation and two drill rigs are in the workshop. In addition, the Group rented one rig, resulting in a total drill rig fleet as at September 30, 2025, of 99 rigs.

SUPPLEMENTARY DISCLOSURE - NON-IFRS MEASURES

EBIT is defined as Earnings before Interest and Taxes and EBITDA is defined as Earnings before Interest, Taxes, Depreciation and Amortization. The definitions are used in this MD&A as measures of financial performance. The Group believes EBIT and EBITDA are useful to investors because they are frequently used by securities analysts, investors and other interested parties to evaluate companies in the same industry. However, EBIT and EBITDA are not measures recognized by IFRS and do not have standardized meanings prescribed by IFRS. EBIT and EBITDA should not be viewed in isolation and do not purport to be alternatives to net income or gross profit as indicators of operating performance or cash flows from operating activities as a measure of liquidity. EBIT and EBITDA do not have standardized meanings prescribed by IFRS and therefore they may not be comparable to similarly titled measures presented by other publicly traded companies. Also, EBIT and EBITDA should not be construed as alternatives to other financial measures determined in accordance with IFRS.

Additionally, EBIT and EBITDA are not intended to be measures of free cash flow for management's discretionary use, as they do not consider certain cash requirements such as capital expenditures, contractual commitments, interest payments, tax payments and debt service requirements.

Gross profit margin is defined as gross profit as a percentage of revenue. Gross profit margin does not have a standardized meaning prescribed by IFRS and therefore may not be comparable to similarly titled measures presented by other publicly traded companies.

The following table is a reconciliation of Geodrill's results from operations to EBIT and EBITDA:

(US$ 000s)	Three months ended Sep 30, 2025	Sep 30, 2024	Nine months ended Sep 30, 2025	Sep 30, 2024
Total comprehensive (loss) / income	(1,507)	2,611	9,393	9,563
Add: Income taxes	1,459	1,712	8,601	5,273
Add: Net finance costs	305	252	839	750
Earnings Before Interest and Taxes (EBIT)	257	4,575	18,833	15,586
Add: Depreciation & Amortization	3,998	3,055	12,932	9,370
Earnings Before Interest, Taxes, Depreciation & Amortization (EBITDA)	4,255	7,630	31,765	24,956

DISCLOSURE CONTROLS AND PROCEDURES

The Chief Executive Officer (the "CEO") and the Chief Financial Officer (the "CFO") of the Group are responsible for establishing and maintaining disclosure controls and procedures ("DC&P") for the Group as defined under Multilateral Instrument 52-109 issued by the Canadian Securities Administrators. The CEO and the CFO have designed such DC&P, or caused them to be designed under their supervision, to provide reasonable assurance that information required to be disclosed by the Group in its annual filings, interim filings or other reports filed or submitted by it under securities legislation is recorded, processed, summarized and reported within the time periods specified in the securities legislation and include controls and procedures designed to ensure that information required to be disclosed by an issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is accumulated and communicated to the Group's management, including its certifying officers, as appropriate to allow timely decisions regarding required disclosure. As at September 30, 2025, the CEO and CFO evaluated the design and operation of the Group's DC&P. Based on that evaluation, the CEO and CFO concluded that the Group's DC&P were effective as at September 30, 2025.

INTERNAL CONTROL OVER FINANCIAL REPORTING

Management is responsible for establishing and maintaining adequate internal control over financial reporting to provide reasonable assurance regarding the reliability of the Group's financial reporting and the preparation of its consolidated financial statements in accordance with IFRS.

Management has evaluated the design and operation of the Group's internal controls over financial reporting as of September 30, 2025, and has concluded that such controls over financial reporting are effective. There are no material weaknesses that have been identified by management in this regard.

There were no changes in the Group's internal control over financial reporting during the period beginning on January 1, 2025 and ending on September 30, 2025, that have materially affected, or are reasonably likely to materially affect, the Group's internal control over financial reporting.

RISK FACTORS

A complete discussion of general risks and uncertainties may be found in Geodrill's Annual Information Form for the fiscal year ended December 31, 2024 which can be found on the SEDAR+ website at www.sedarplus.ca, and which continue to apply to the business of the Group. The Group is not aware of any significant changes to risk factors from those disclosed at that time, however, although the Group has been transitioning to more senior and intermediate customers and away from juniors that may face capital raising challenges, credit risk is still present.

Credit Risk

The Group provides credit to its clients in the normal course of its operations. The Group provides for lifetime expected credit losses (ECLs) for trade receivables. The Group uses the simplified approach to recognizing ECLs for its trade receivables that do not have a significant financing component. The expected credit losses on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience applied to the aging of receivables, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at each reporting date. In addition, in 2023 and 2024 the Group had noticed that certain accounts in the greater than 90 days category were taking longer to pay and certain accounts were having difficulty paying and therefore the Group needed to provide for certain specific accounts. The estimates and underlying assumptions of the trade receivables are reviewed on an ongoing basis. Management needs to make significant judgments, estimates and assumptions in determining the carrying values of the trade receivables. In 2023 management increased the non-cash expected credit loss provisions by approximately US$4.6M. In 2024, a large trade receivable was settled via shares resulting in the reversal in 2024 of the non-cash expected credit loss provision of approximately US$4.2M. Management will need to assess the carrying value of the trade receivables on an ongoing basis and the future estimate of the carrying value as determined each quarter may decrease significantly depending on debtors continued ability to pay and their financial well-being. As at September 30, 2025, an amount of US$5.3M or 16% of the trade accounts receivable are aged over 90 days. As at September 30, 2025 the Group has approximately US$2.0M in non-cash expected credit loss provisions against its greater than 90 day category of trade receivables resulting in net trade receivables in the greater than 90 day category of US$3.3M. As at September 30, 2025, the aging of the trade receivable balances aged over 90 days has increased from December 31, 2024 as follows:

	September 30, 2025		December 31, 2024	
	US$	US$	US$	US$
	Gross	Net of ECL	Gross	Net of ECL
Less than 30 days	20,221,482	20,216,710	9,220,130	9,217,882
31 - 60 days	4,570,697	4,568,438	9,528,527	9,523,928
61 - 90 days	2,511,043	2,461,215	2,178,707	2,136,802
91 days and greater	5,308,300	3,337,048	4,897,613	3,044,825
	32,611,522	30,583,411	25,824,977	23,923,437

Tax, Customs and Transfer Pricing Audits

The Group has received a formal notice of recovery from a tax authority in one jurisdiction for tax amounts owing for the years 2022 to 2024. The notice of recovery is for missing payments in the amount of CFA4,714,639,248 (US$8.44M) with an additional amount of penalties of CFA4,714,639,248 (US$8.44M) amounting to a total amount of CFA9,429,278,496 (US$16.9M). The Group has obtained all of the remittance certificates from the tax authority's tax platform indicating that the missing payments have been remitted. As at the date of these financial statements, the Group has formally objected to the notice of recovery and is in discussions with the tax authorities and the Ministere des Finances. Based on the information obtained to date, management believes that its position is defensible and will continue to evaluate additional information as it becomes available on the matter.

Management believes for all other matters that the ultimate amount of liability, if any, for any pending assessments (either alone or combined) would not materially affect the Group’s operations, liquidity or financial position taken as a whole. However, the ultimate outcome of these audits is uncertain.

FAIR VALUES OF FINANCIAL INSTRUMENTS

The carrying values of cash, trade and other receivables, trade and other payables and related party payables approximate their fair value due to the relatively short period to maturity of the instruments. The carrying value of loans payable approximates their fair value as the fixed rate loans have been acquired recently and their carrying value continues to reflect fair value. The fair value of financial assets held at fair value through profit and loss are measured using quoted market prices.

There were no financial instruments classified as level 2 or 3 in the fair value hierarchy at September 30, 2025 and December 31, 2024.

RELATED PARTY TRANSACTIONS

Related party	Relationship	Location	2025	2024
Geodrill Mauritius Limited	Subsidiary	Mauritius	100%	100%
Geodrill Ghana Ltd	Subsidiary	Ghana	100%	100%
Geodrill Cote d'Ivoire SARL	Subsidiary	Cote d'Ivoire	100%	100%
Drilling Services Malta Limited	Subsidiary	Malta	100%	100%
Vannin Resources, Unipessoal Limitada	Subsidiary	Madeira	100%	100%
Geodrill Sondagens LTDA	Subsidiary	Brazil	100%	100%
Silver Back Egypt for Mining and Drilling Services S.A.E.	Subsidiary	Egypt	100%	100%
Geodrill for Leasing and Specialized Services Freezone LLC	Subsidiary	Egypt	100%	100%
Geodrill Leasing Company Limited	Subsidiary	Isle of Man	100%	100%
Geodrill Senegal SARL	Subsidiary	Senegal	100%	100%
Company AL-TANQIB AL-MUTAKHIS For Mining LLC	Subsidiary	Saudi Arabia	100%	100%
Recon Drilling S.A.C.	Subsidiary	Peru	95%	95%
Geo-Drill SARL	Subsidiary	Mali	95%	95%
Recon Drilling Chile SPA	Subsidiary	Chile	95%	95%
Geodrill BF	Branch	Burkina Faso	100%	100%
Geodrill Mali	Branch	Mali	100%	100%
Geodrill Limited Zambia	Branch	Zambia	100%	100%
Geodrill Mauritius Limited Egypt	Branch	Egypt	100%	100%
The Harper Family Settlement	Significant shareholder	Isle of Man	-	-
GTS Drilling Ltd	Common Control	Ghana	-	-

(i) Transactions with related parties

Transactions with companies within the Group have been eliminated on consolidation.

The Harper Family Settlement owns 37.1% (December 31, 2024: 37.1%) of the issued share capital of Geodrill Limited.

On October 1, 2024, Geodrill Ghana Ltd entered into new lease agreements with The Harper Family Settlement for the Anwiankwanta property and for the Accra property, both for a two year term and rent for the Anwiankwanta property of US$244,000 per annum and rent for the Accra property of US$99,000 per annum. The material terms of the two year lease agreements include: (i) the annual rent payable shall be reviewed on an upward only basis on or before October 1, 2026; and (ii) only Geodrill Ghana Ltd can terminate the leases by giving twelve months' notice. It was also agreed that all future rent increases will be based on USA inflation data.

For the period ending September 30, 2025, the right-of-use assets relating to the properties above was US$320,362 (December 31, 2024: US$554,623) and the related lease liabilities were US$333,043 (December 31, 2024: US$560,849).

(ii) Key management personnel and directors' transactions

The Group's key management personnel, and persons connected with them, are also considered to be related parties for disclosure purposes. The definition of key management includes the close members of the family of key personnel and any entity over which key management exercises control. The key management personnel have been identified as directors of the Group and other management staff. Close members of family are those family members who may be expected to influence, or be influenced by that individual in their dealings with the Group.

Key management personnel and directors' compensation for the period comprised:

	Three month period ended September 30,		Nine month period ended September 30,	
	2025	2024	2025	2024
	US$	US$	US$	US$
Short-term benefits	719,937	1,512,012	4,908,173	4,424,066
Share-based payment arrangements	33,477	44,942	633,839	232,521
	753,414	1,556,954	5,542,012	4,656,587

MATERIAL ACCOUNTING POLICIES

The Group's IFRS significant accounting policies are provided in Note 3 to the quarterly unaudited consolidated financial statements as at and for the period ended September 30, 2025 and Note 2 to the audited annual consolidated financial statements for the year ended December 31, 2024 and can be found on SEDAR+ at www.sedarplus.ca.

CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The areas which require management to make significant judgments, estimates and assumptions in determining carrying values are described in the Group's audited consolidated financial statements for the years ended December 31, 2024 and 2023.

Additional Information

Additional information relating to Geodrill, including Geodrill's Annual Information Form can be found on SEDAR+ at www.sedarplus.ca.