



**LEXINGTON GOLD LTD**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2025**

**LEXINGTON GOLD LTD**

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**LEXINGTON GOLD LTD**

**CORPORATE DIRECTORY  
FOR THE YEAR ENDED 31 DECEMBER 2025**

<b>Directors:</b>	Edward Nealon - Non-Executive Chairman Bernard Olivier - Chief Executive Officer Melissa Sturgess - Non-Executive Director Rhoderick Grivas - Non-Executive Director Mark Greenwood - Non-Executive Director
<b>Registered office:</b>	Clarendon House, 2 Church Street, Hamilton, HM 11, Bermuda  Email: <a href="mailto:info@lexingtongold.co.uk">info@lexingtongold.co.uk</a> Website: <a href="http://www.lexingtongold.co.uk">www.lexingtongold.co.uk</a>
<b>Transfer secretary:</b>	Computershare Investor Services PLC The Pavilions, Bridgwater Road, Bristol, BS99 6ZY, United Kingdom  Telephone: +44 (0)370 702 0003 Facsimile: +44 (0)370 703 6116 Website: <a href="http://www.computershare.com/uk">www.computershare.com/uk</a>
<b>Nominated adviser:</b>	Strand Hanson Limited 26 Mount Row, London W1K 3SQ  Telephone: +44 (0)20 7409 3494
<b>Joint broker:</b>	Marex Financial 155 Bishopsgate London EC2M 3TQ  Telephone: +44 (0)20 7655 6000
<b>Joint broker:</b>	Optiva Securities Limited 7 Harp Lane London EC3R 6DP  Telephone: +44 (0)203 981 4178
<b>Solicitors:</b>	Joelson LLP 2 Marylebone Road, London NW1 4DF
<b>Auditors:</b>	BDO Audit Pty Ltd Level 9, Mia Yellagonga Tower 2 5 Spring Street Perth WA 6000, Australia

## LEXINGTON GOLD LTD

### CHAIRMAN'S STATEMENT

Dear Fellow Shareholder,

I am pleased to report that 2025 was a year of continued strategic progress for Lexington Gold, during which the Company further strengthened its portfolio, advanced its principal technical workstreams and continued to position itself to unlock the long-term value potential of its gold assets in South Africa and the United States.

The year was characterised by disciplined capital allocation, selective exploration activity and the progression of key technical and corporate milestones. Lexington Gold's asset base now comprises a rare combination of JORC-compliant Mineral Resources, JORC-compliant Exploration Targets, highly prospective exploration acreage and strategic partnerships across two well-established mining jurisdictions. Against a backdrop of a strong gold market and increasing investor focus on quality gold exposure, the Board remains of the view that the Company's portfolio offers significant embedded value.

In South Africa, we continued to make meaningful progress across the Company's Witwatersrand Basin portfolio. The receipt of Ministerial consent under Section 11 of the Mineral and Petroleum Resources Development Act in respect of the Company's acquisition of White Rivers Exploration Proprietary Limited ("**WRE**") represented an important milestone and completed the final regulatory step in securing Lexington Gold's South African asset base. The Company also strengthened its land position through the grant of new prospecting rights at Bothaville and Kroonstad, further consolidating its exposure to highly prospective gold-bearing areas within one of the world's most prolific gold provinces.

At Jelani, the Company and its joint venture partners continued to advance the project following the previously announced JORC-compliant Mineral Resource Estimate of 6.02 million ounces of gold. The appointment of Bara Consulting (Pty) Ltd to undertake a conceptual mining study represented an important step in assessing the technical and economic parameters that could support a Mining Right application and potential future development pathway. The scope of this work was expanded during the year to provide a more detailed and robust evaluation of the project, including further consideration of mining approach, infrastructure, scheduling and high-level capital and operating cost parameters. Post period end, Jelani Resources (Pty) Ltd received formal notification from the Department of Mineral and Petroleum Resources ("**DMPR**") that its Mining Right application in respect of the Jelani JV Project had been formally accepted for processing, representing a further important regulatory milestone for the project and preserving its tenure and regulatory position while the application proceeds through the applicable statutory review and environmental authorisation processes.

In the United States, the Company delivered highly encouraging exploration results from its Jennings-Pioneer Project in South Carolina. The 2025 diamond drilling programme confirmed and extended mineralisation at the Barite Hill Trend and delivered maiden gold intersections on the Jennings Trend. The results reinforced our belief that Jennings-Pioneer has the potential to host multiple mineralised zones, with additional upside from associated silver, copper, zinc and tellurium mineralisation.

The Board also took further steps to improve the Company's visibility and access to capital markets. Trading in Lexington Gold's shares commenced on the OTCQB Venture Market in the United States under the ticker LEXLF, increasing the Company's profile with US investors. During the year, the Company completed a £530,000 gross equity fundraise and, subsequent to the period end, successfully undertook a further £1.19 million gross fundraise and converted certain loans, thereby providing additional working capital to support the Company's ongoing activities.

We were also pleased to welcome Mark Greenwood to the Board as a Non-Executive Director. Mark brings substantial experience and commercial insight, and his appointment further strengthens the Board as the Company continues to advance its portfolio and assess opportunities for project-level partnerships, further funding and value realisation.

As a Board, our focus remains on maintaining financial discipline while advancing those workstreams that we believe have the greatest potential to create shareholder value. In an exploration and development company, capital must be allocated carefully and with a clear understanding of technical risk, funding requirements and potential return. Lexington has continued to apply this approach throughout the year.

**LEXINGTON GOLD LTD**

**CHAIRMAN'S STATEMENT (CONTINUED)**

I would like to thank our shareholders for their continued support, our management and technical teams for their commitment, and our joint venture partners, advisers and stakeholders for their ongoing engagement. The Board remains confident in the quality and scale of Lexington's asset portfolio and believes that the Company is well positioned to continue advancing its projects and pursuing the long-term value potential within its licence areas.



**Edward Nealon**  
**Non-Executive Chairman**

19 June 2026

## LEXINGTON GOLD LTD

### CHIEF EXECUTIVE'S OPERATIONAL AND FINANCIAL REVIEW FOR THE YEAR ENDED 31 DECEMBER 2025

#### Overview

2025 was a year of steady operational, technical and corporate progress for Lexington Gold. Our core focus remained on advancing our gold exploration and development portfolio in South Africa and the United States in a disciplined and value-driven manner.

During the year, we progressed key technical studies, expanded and strengthened our South African licence position, completed a further drilling programme at Jennings-Pioneer in the United States, received encouraging assay results and continued to build the Company's capital markets profile. Importantly, the Company also completed the final regulatory step in respect of its acquisition of WRE through the receipt of Ministerial Section 11 approval, thereby securing its South African asset base.

The Company's strategy remains focused on advancing high-quality gold assets through technically robust and capital-efficient work programmes, while seeking to manage exploration risk through the use of historical data, modern geological modelling, independent technical input and selective drilling. We continue to believe that Lexington Gold's portfolio offers substantial long-term value potential.

#### Project Review

##### 1. South Africa

###### 1.1 Jelani JV

The Jelani JV Project remains one of Lexington Gold's key South African assets. The project is located in the Free State Goldfield and is held through the Company's 74% interest in WRE.

As previously announced, the Jelani JV Project has a total JORC (2012) compliant Mineral Resource Estimate of 6.02 million ounces of gold at an average grade of 6.47 g/t. The resource was independently audited by SRK Consulting and is based on validated historical borehole data, 3D geological block modelling and detailed structural interpretation.

During the year, the board of Jelani Resources Proprietary Limited engaged Bara Consulting (Pty) Ltd ("**Bara**") to undertake a conceptual-level mining study on the project. The primary purpose of the study is to assess the technical and economic parameters underpinning a Mining Right application and inform the next stage of internal project development assessment.

The scope of the Bara study was expanded during the year in order to provide a more comprehensive and robust evaluation of the project. The enhanced scope includes:

- validation of the proposed mining approach;
- assessment of available infrastructure and capacity;
- refined preliminary underground mine design and scheduling;
- high-level capital and operating cost modelling;
- cash flow analysis; and
- consideration of permitting, ESG and project execution matters.

Lexington Gold has continued to work closely with Bara and Harmony Gold Mining Company Limited ("**Harmony Gold**"), parent of the Company's joint venture partners at Jelani, in respect of the study and related workstreams. The Company views the study as an important step in assessing the potential future commercialisation of the Jelani JV Project.

Post period end, Jelani commenced the Mining Right application process in respect of the Jelani JV Project. As announced on 1 June 2026, Jelani subsequently received formal notification from the DMPR that its Mining Right application had been accepted for processing. The application was lodged on 21 April 2026 under Section 22 of the Mineral and Petroleum Resources Development Act, 2002 ("**MPRDA**"), prior to the scheduled expiry of Jelani's Prospecting Right on 29 May 2026, and was formally accepted by the DMPR on 7 May 2026, with notification received on 18 May 2026.

## **LEXINGTON GOLD LTD**

### **CHIEF EXECUTIVE'S OPERATIONAL AND FINANCIAL REVIEW (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2025**

The formal acceptance of the Mining Right application confirms that the application has been accepted for processing and enables the Jelani JV Project to proceed to the next phase of the statutory review and environmental authorisation processes. The Company considers this to be an important regulatory milestone, with the Jelani JV Project's tenure and regulatory position preserved while the Mining Right application progresses through the applicable statutory processes.

The application includes the proposed mine-works programme, which has been developed with reference to the potential utilisation of existing and available infrastructure associated with Harmony's adjacent Target operations, where available and appropriate and subject to the requisite approvals, including potential access via existing shafts and processing through established plant infrastructure. Any further advancement of the Jelani JV Project remains subject to ongoing internal review and approval under the joint venture framework by both the Company and Harmony.

#### **1.2 Bothaville Project**

Bothaville remains an important component of Lexington Gold's South African portfolio. As previously announced, a JORC-compliant Exploration Target has been established at the project, comprising a range of between 16 to 30 million tonnes at average grades of 3.26 to 6.03 g/t Au, translating to 1.7 to 5.8 million ounces of contained gold.

During the year, WRE was granted a new consolidated Prospecting Right in respect of the Bothaville Project. The grant of this right was an important regulatory and tenure milestone, supporting the Company's continued ability to advance the project and assess its potential within its broader Witwatersrand Basin portfolio.

The Company's previous drilling and modelling work at Bothaville confirmed the presence of A-Reef channel characteristics similar to other A-Reef mineralised zones in the Witwatersrand Basin. Future work will be directed at refining the geological model and determining the most appropriate next steps for the project in the context of the Company's wider capital allocation priorities.

#### **1.3 Kroonstad Project**

During the year, WRE was granted a new Prospecting Right over the New Kroonstad North Extension in the Free State Province of South Africa. The new right is valid until 30 June 2030 and is renewable for a further three years thereafter.

The new Prospecting Right covers approximately 18,340.5 hectares and is directly adjacent to the Company's pre-existing and historical Kroonstad licences. It expanded Lexington Gold's strategic footprint in an area considered to have significant gold prospectivity and potential geological continuity with the broader Kroonstad Project area.

The Kroonstad Project has an independently estimated non-code compliant gold exploration target of between 6.06 million ounces and 62.41 million ounces, at grades ranging from 4.96 g/t to 11.54 g/t. Although such target is not JORC-compliant, it provides an indication of the scale of the mineralised system that Lexington Gold is seeking to assess and advance through future technical work.

#### **1.4 Ventersburg Project**

The Ventersburg Project remains a strategically located asset within the Company's South African portfolio. The project is located adjacent to Gold One Africa's Mineral Resource and near existing regional mining infrastructure.

As previously announced, Shango Solutions completed a comprehensive technical report on the project, which drew on historical borehole results, litho-stratigraphic correlations and structural models. The report confirmed mineralisation across multiple reef horizons, including the A-, B- and C-Reefs, and supported the definition of an Exploration Target of 1.39 to 3.55 million ounces at gold grades between 2.82 g/t and 3.44 g/t.

## LEXINGTON GOLD LTD

### CHIEF EXECUTIVE'S OPERATIONAL AND FINANCIAL REVIEW (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2025

During the year, the Company continued to consider potential strategic and development pathways for Ventersburg, including the possible benefits of future collaboration with neighbouring rights holders and infrastructure owners.

## 2. United States

### 2.1 Jennings-Pioneer Project

Jennings-Pioneer was the principal focus of the Company's US exploration work during the year. The project is located in South Carolina and includes the historically mined Barite Hill and Jennings trends.

In April 2025, the Company announced that it had signed a drilling contract with Logan Drilling USA for a new diamond core drilling programme at Jennings-Pioneer. The programme commenced in May 2025 and was successfully completed in June 2025, comprising six diamond drill holes totalling approximately 599 metres across the Barite Hill and Jennings trends.

Visual core logging identified alteration and mineralisation textures consistent with epithermal gold-silver and associated base-metal systems. The subsequent assay results were highly encouraging and confirmed the presence of gold, silver, copper, zinc and tellurium mineralisation.

Key results included:

- Hole JP25-4: 31m at 1.00 g/t Au from 142m to 173m, including 6m at 2.14 g/t Au;
- Hole JP25-4: 8m at 2.27 g/t Au from 64m to 72m;
- Hole JP25-5: 6m at 1.09 g/t Au from 44m to 50m;
- Hole JP25-6: 2m at 1.10 g/t Au on the Jennings Trend; and
- Hole JP25-9: 2m at 0.94 g/t Au on the Jennings Trend.

The results confirmed and extended mineralisation within the Barite Hill Trend, with the Red Hill Zone now confirmed over 150 metres and the Middle Zone over 75 metres in strike length. Both zones remain open to the north-east and down plunge.

The Jennings Trend results were particularly significant as the maiden drilling delivered the first-ever gold intersections in this area. These intersections, located adjacent to historical Pioneer Mine shafts, represent a new gold-bearing trend for Lexington Gold and warrant follow-up work.

The multi-element assay results also confirmed the presence of silver, copper, zinc and tellurium as potential by-products, including:

- Hole JP25-5: 8m at 14.41 g/t Ag and 50.00 g/t Te; and
- Hole JP25-4: 4m at 15.05 g/t Ag, 0.39% Cu and 1.49% Zn.

The Company believes that Jennings-Pioneer continues to demonstrate strong exploration potential and provides a robust platform for future drilling and resource definition work.

### 2.2 JKL, Carolina Belle and Project Priority

The Company continued to review the relative prospectivity and capital requirements of its US project portfolio during the year. The Board remains focused on allocating capital to the assets with the strongest potential to deliver value.

The Jennings-Pioneer, Carolina Belle and JKL projects remain the Company's priority US assets. As previously reported, the Board determined that no further expenditure would be incurred on Project Argo, given the relative prospectivity of the other US projects, and an impairment provision was recognised in the prior year in respect of Project Argo.

Post period end, the Company announced updated independent JORC (2012) Mineral Resource Estimates for the Jones-Keystone and Loflin deposits on the JKL Project, prepared by Pivot Mining Consultants (Pty) Ltd. This work further supports the Company's objective of building and refining the technical foundation of its US portfolio.

## LEXINGTON GOLD LTD

### CHIEF EXECUTIVE'S OPERATIONAL AND FINANCIAL REVIEW (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2025

#### 3. Environmental and Social Responsibility

Lexington Gold continues to integrate environmental, social and governance principles into its exploration and development activities. The Company seeks to ensure that its field activities are undertaken responsibly and in compliance with applicable environmental and regulatory requirements in both South Africa and the United States.

In South Africa, the Company works with local stakeholders and its B-BBEE partner, Letsema Holdings Proprietary Limited, to support inclusive participation in project activities. The Company also seeks to make use of local contractors and service providers where practicable.

No reportable environmental incidents occurred during the year.

#### 4. Financial Review

For the year ended 31 December 2025, Lexington Gold reported a net loss of US\$0.83 million, compared with a net loss of US\$1.4 million for the year ended 31 December 2024. The reduction in the reported loss primarily reflects the absence of an impairment charge in the current year. During the year ended 31 December 2024, the Group recognised an impairment loss in respect of Project Argo in the United States. No equivalent impairment loss was recognised in 2025.

Exploration expenditure for the year was US\$0.81 million, compared with US\$0.89 million in 2024. Operating expenses were US\$0.95 million, compared with US\$0.88 million in 2024.

Cash and cash equivalents at 31 December 2025 were approximately US\$0.3 million, compared with approximately US\$0.9 million at 31 December 2024.

During the year, the Company completed a £530,000 gross (approximately US\$705,000) equity fundraise at 3.4 pence per share. The fundraise was undertaken at the prevailing market share price and was predominantly supported by existing shareholders, demonstrating continued support for the Company's strategy.

The Company also entered into a £350,000 (approximately US\$458,000) unsecured convertible loan facility during the year to provide additional working capital flexibility.

Post period end, the Company raised gross proceeds of £1.19 million (approximately US\$1.62 million) through a placing and direct subscription at 4 pence per share. The Company also agreed to settle £356,322 (approximately US\$479,779) of outstanding convertible loans, including accrued interest, through the issue of new common shares and warrants on the same terms as the fundraise.

No revenue was generated during the year, consistent with the Company's status as an exploration and development company with no producing assets. Cost discipline remains a key priority, and the Company continues to assess potential strategic, project-level and non-dilutive funding opportunities where appropriate.

#### 5. Dividend

The directors have not declared a dividend for the year ended 31 December 2025 (2024: Nil).

#### 6. Corporate Activities

During the year, trading in the Company's common shares commenced on the OTCQB Venture Market in the United States under the ticker LEXLF. This was an important step in broadening the Company's investor reach and improving visibility within the US market.

In April 2025, the Company completed a £530,000 gross (approximately US\$705,000) equity fundraise and appointed Optiva Securities Limited as joint broker alongside AlbR Capital Limited (formerly Peterhouse Capital Limited).

## LEXINGTON GOLD LTD

### CHIEF EXECUTIVE'S OPERATIONAL AND FINANCIAL REVIEW (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2025

In May 2025, the Company received Section 11 Ministerial Consent in respect of its acquisition of WRE. This approval triggered the issue of 20,645,161 deferred consideration shares at 6.20 pence per share and completed the final regulatory step in securing the Company's South African asset base.

In October 2025, Mark Greenwood was appointed as a Non-Executive Director. Mark is a significant shareholder in the Company and brings extensive commercial and corporate experience to the Board.

In November 2025, the Company issued £350,000 (approximately US\$458,000) unsecured convertible loan notes to longstanding substantial shareholder Pure Ice Ltd (as to £201,746), and three of the Company's directors, namely Edward Nealon (as to £50,000), Melissa Sturgess (via Hartford Corporate Limited a company controlled by Melissa Sturgess) (as to £20,000) and Mark Greenwood (as to £78,254).

The Convertible Loans were unsecured, had a 12-month term from the date of drawdown, and bore interest at a rate of 9 per cent. per annum and is convertible, together with accrued interest thereon, at the point of any 'Qualifying Financing', being any issue of new common shares for cash, during the term of the Convertible Loans, and converted at the price and on the same terms as such relevant 'Qualifying Financing' being the abovementioned £1.19m gross (approximately US\$1.62 million) fundraising in January 2026.

In December 2025, Marex Financial was appointed as joint broker, further strengthening the Company's position in the capital markets.

Post the year end following a successful application by White Rivers Exploration Proprietary Limited ("**WRE**") on 14 March 2026 the High Court of South Africa ruled the proceedings in relation to the Pol Sun Claim (as described below) are stayed until they have provided security for costs of ZAR850,000 (approximately US\$50,000) and to pay WRE's cost in relation to the application. Pol Sun's application appears to seek reinstatement of its former equity interest, which was cancelled as part of the adopted business rescue plan. Based on legal advice received, the Company understands that the application is unlikely to succeed and that it has strong grounds to defend the application. Given the remote likelihood of the case being successful against the Company, no provision has been recognised in these financial statements.

On 31 March 2025, Pol Sun Limited ("**Pol Sun**"), a former minority shareholder holding less than 5% of WRE's issued share capital, initiated legal proceedings in the High Court of South Africa. The application seeks declaratory relief challenging the validity of WRE's business rescue proceedings and the subsequent cancellation of Pol Sun's equity interest as part of the adopted business rescue plan ("**Pol Sun Claim**").

The business rescue process was conducted by independent business rescue practitioners from BDO Business Restructuring (Pty) Ltd in accordance with the provisions of the South African Companies Act, 2008. The business rescue plan was voted on and duly adopted by 100% of WRE's creditors and a majority of its shareholders and was implemented during 2023. Pol Sun was not a creditor of WRE and did not participate in the creditor approval process. All creditor claims were settled in full as part of the approved business rescue plan.

#### 7. Post Period End Events

As announced on 13 January 2026, the Company raised, in aggregate, gross proceeds of £1,190,000 (approximately US\$1,620,000) at a price of 4 pence per new common share of US\$0.003 each in the capital of the Company.

The fundraise comprised a placing of 19,375,000 new common shares to raise £775,000 and direct subscriptions for, in aggregate, 10,375,000 new common shares to raise £415,000. Existing major shareholder Orasa Chiaratanasen invested £125,000 for 3,125,000 new common shares, representing approximately 10.5% of the total fundraising amount.

The Company also issued warrants to the fundraising participants to subscribe for up to a further 29,750,000 new common shares at an exercise price of 6 pence per share, representing an approximate 50% premium to the fundraising price, exercisable for a period of three years from admission.

## LEXINGTON GOLD LTD

### CHIEF EXECUTIVE'S OPERATIONAL AND FINANCIAL REVIEW (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2025

The Company also agreed to settle, in aggregate, £356,322 of outstanding convertible loans, including accrued interest, by way of the issue of 8,908,061 new common shares and 8,908,061 warrants on the same terms as the fundraising warrants.

On 13 January 2026, the Company announced the receipt of updated independent JORC (2012) Mineral Resource Estimates for the Jones-Keystone and Loflin deposits on the JKL Project, prepared by Pivot Mining Consultants (Pty) Ltd.

As announced on 5 February 2026, Jelani Resources (Pty) Ltd commenced the Mining Right application process in respect of the Jelani JV Project.

As announced on 1 June 2026, Jelani Resources (Pty) Ltd received formal notification from the DMPR that its Mining Right application in respect of the Jelani JV Project had been formally accepted for processing. The application was lodged on 21 April 2026 under Section 22 of the MPRDA, prior to the scheduled expiry of Jelani's Prospecting Right on 29 May 2026, and was formally accepted by the DMPR on 7 May 2026, with notification received on 18 May 2026.

The formal acceptance confirms that the application is validly before the DMPR for processing and enables the project to proceed to the next phase of the statutory review and environmental authorisation processes. The Company considers that the timely lodgement and formal acceptance of the application preserves the Jelani JV Project's tenure and regulatory position while the Mining Right application is processed. Any further advancement of its Jelani JV Project remains subject to ongoing internal review and approval under the joint venture framework by both the Company and Harmony.

#### 8. Outlook

Looking ahead, Lexington Gold remains focused on advancing its portfolio in a disciplined and technically robust manner. Following the post-period-end formal acceptance of the Jelani JV Project's Mining Right application by the DMPR, the Company's priorities include progressing the project through the next phases of the statutory review and environmental authorisation processes, completing and assessing the enhanced Bara study, refining geological models across its South African portfolio and determining the most value-accretive next steps for its US assets.

At Jennings-Pioneer, the Company intends to build on the highly encouraging 2025 assay results and assess follow-up work designed to further test the Barite Hill and Jennings trends. At JKL, the updated JORC Mineral Resource Estimates provide an enhanced foundation for future technical and strategic assessment.

The Company will continue to evaluate potential project-level partnerships, strategic funding structures and other corporate opportunities that could assist in advancing its assets while preserving shareholder value.

We believe that the progress made during 2025, together with the post-period-end milestones achieved to date, has further strengthened Lexington Gold's technical and corporate platform. The Company remains well positioned to continue advancing its high-quality gold portfolio and to pursue the significant inherent long-term value potential within its South African and US projects.



**Bernard Olivier**  
Chief Executive Officer

19 June 2026

## LEXINGTON GOLD LTD

### STATEMENT OF DIRECTORS' RESPONSIBILITIES FOR THE YEAR ENDED 31 DECEMBER 2025

The directors are responsible for preparing the annual report and financial statements in accordance with applicable laws and regulations. The directors have elected to prepare the consolidated financial statements in accordance with International Financial Reporting Standards ("IFRS"). The financial statements are required to give a true and fair view of the state of affairs of the Group and the profit or loss of the Group for that period.

In preparing these financial statements the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable IFRS have been followed, subject to any material departures discussed and explained in the financial statements; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Group will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group's transactions and disclose with reasonable accuracy, at any point in time, the financial position of the Group which are free from material misstatement whether due to fraud or error and to enable them to ensure that the financial statements comply with IFRS. They are also responsible for taking such steps as are reasonably open to them to safeguard the assets of the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. However, any system of internal financial control can provide only reasonable and not absolute assurance against material misstatements or loss.

### DIRECTORS' DECLARATION

The directors confirm to the best of their knowledge that:

- the financial statements, prepared in accordance with applicable accounting standards, give a true and fair view of the assets, liabilities, financial position and profit or loss of Lexington Gold Ltd and the undertakings included in the consolidation as a whole;
- the Report of the Directors includes a fair review of the development or performance of the business and the position of Lexington Gold Ltd and the undertakings included in the consolidation as a whole, together with a description of the principal risks and uncertainties that they face; and
- there are reasonable grounds to believe that the Group will be able to pay its debts when they become due and payable in the foreseeable future (at least 12 months from the date of this report).

On behalf of the board



**Bernard Olivier**  
Chief Executive Officer

19 June 2026

## LEXINGTON GOLD LTD

### REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 DECEMBER 2025

The directors present this report, together with the audited consolidated financial statements for the year ended 31 December 2025 for Lexington Gold Ltd (the “Company”, “Lexington Gold” or “Lexington”) and together with its subsidiaries (the “Group”).

#### PRINCIPAL ACTIVITIES, BUSINESS REVIEW AND FUTURE DEVELOPMENTS

The Group’s principal activity is gold exploration and development. The main focus, in the year under review, has been on its three diverse gold projects within a well mineralised Super Terrane in North and South Carolina, USA and its South African projects.

A detailed review of the Group’s activities, the development of its business and an indication of likely future developments is set out in the Chief Executive’s operational and financial review on pages 4 to 9. Post the period end, the Company announced that Jelani Resources (Pty) Ltd had received formal notification from the DMPR that its Mining Right application in respect of the Jelani JV Project had been accepted for processing, as further described in the Chief Executive’s operational and financial review and Note 25 to the consolidated financial statements.

#### GOING CONCERN

For the year ended 31 December 2025, the Group recorded a loss of US\$0.83 million (2024: US\$1.4 million) and had net cash outflows from operating activities of US\$1.0 million (2024: US\$0.9 million). An operating loss is expected in the year subsequent to the date of these accounts. The ability of the entity to continue as a going concern is dependent on the Group generating positive operating cash flows and/or securing additional funding through the raising of debt or equity to fund its projects and activities.

These conditions indicate a material uncertainty that may cast a significant doubt about the entity’s ability to continue as a going concern such that it may be unable to realise its assets and discharge its liabilities in the normal course of business.

The financial statements have been prepared on the basis that the entity is a going concern, which contemplates the continuity of normal business activity, realisation of assets and settlement of liabilities in the normal course of business for the following reasons:

- The Company secured additional funding by way of a £1,190,000 gross (approximately US\$1,620,000) equity fundraise on 13 January 2026;
- The Directors are confident that they will be able to raise additional funds to satisfy the Group’s cash requirements as and when necessary; and
- The Directors have the ability to reduce expenditure in order to preserve cash if required.

Should the entity not be able to continue as a going concern, it may be required to realise its assets and discharge its liabilities other than in the ordinary course of business, and at amounts that differ from those stated in the financial statements. This financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts or liabilities that might be necessary should the entity not continue as a going concern.

#### RESULTS

The consolidated statement of profit or loss and other comprehensive income for the year ended 31 December 2025 and the consolidated statement of financial position at that date are set out on pages 26 and 27 of this report respectively. The Group recorded a loss for the year ended 31 December 2025 of US\$0.83 million (2024: US\$1.4 million).

Given the relative prospectivity of the Jennings-Pioneer, Carolina Belle and JKL Projects the Board decided to focus on these projects in preference to Project Argo such that the Minimum Funding Contributions for Project Argo were not met and the asset was fully impaired in last year’s financial statements.

Taking into account these losses, shareholders’ equity at 31 December 2025 was approximately US\$14.5 million (2024: US\$14.0 million). The Directors have not declared a dividend (2024: Nil).

## LEXINGTON GOLD LTD

### REPORT OF THE DIRECTORS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2025

#### DIRECTORS

The following directors have held office during and subsequent to the reporting year up to the date of sign-off of these financial statements:

- Edward Nealon
- Bernard Olivier
- Melissa Sturgess
- Rhoderick Grivas
- Mark Greenwood (appointed 6 October 2025)

The current Directors' biographical details:

#### **Edward Nealon (75), Chairman**

Mr Nealon is a geologist with over 50 years' experience in the mining and exploration industry. After graduating in 1974, he commenced his career in South Africa with Anglo American Corporation, before moving to Australia in 1980 where he spent two years in exploration with Rio Tinto. He founded his own consulting company in 1983 and has practiced in most of the world's major mining centres. Mr Nealon was the founder of Aquarius Platinum Ltd and served as either its CEO or Executive Chairman for a number of years. He holds a Masters degree in Geology and is a member of the Australian Institute of Mining and Metallurgy.

#### **Bernard Olivier (50), Chief Executive Officer**

Dr Bernard Olivier is a qualified geologist and has been involved with the mining and exploration industry for the past 26 years. Dr Olivier has over 18 years' experience as a public company director of ASX-listed and AIM-quoted mining and exploration companies. Dr Olivier was previously the CEO of Tanzanite One Limited (AIM: TNZ) and was credited with restructuring and returning the group to profitability in 2010. As CEO he also led the team which established a maiden JORC Resource estimate of 3.9 million gold ounces for Bezant Resources plc's (AIM: BZT) Mankayan project and achieved an 8 pence per share return of capital to its shareholders. Dr Olivier is a Member of the Australasian Institute of Mining and Metallurgy (AusIMM) and currently also serves as a Director and Chief Executive Officer of Gem Resources plc.

#### **Melissa Sturgess (59), Non-Executive Director**

Ms Sturgess holds a BSc. and an MBA and has many years' experience acting as a director of AIM-quoted and ASX-listed companies, mainly involved in the acquisition, structuring and financing of natural resources transactions across Africa. Ms Sturgess commenced her career in Australia as a member of the Executive Committee of Aquarius Platinum Limited, one of the first Australian/UK dual-listed companies and a miner of platinum in South Africa and Zimbabwe. She was also founding director of Sylvania Resources Limited and a number of other companies operating in the metals and mining sector throughout Africa and quoted on AIM. Ms Sturgess relocated from Australia to London in 2006 and during her career has raised significant amounts of capital. She was a key driver in the successful recapitalisation of Messaging International Plc during 2016 which subsequently changed its name to SigmaRoc Plc, acquired a building materials business from LaFargeHolcim via a reverse takeover and raised £50 million from a range of investors in the Channel Islands and the UK. Ms Sturgess is also CEO and a major shareholder of Ananda Pharma Ltd, a company developing a first in class non hormonal treatment for endometriosis pain.

#### **Rhoderick Grivas (59), Non-Executive Director**

Mr Grivas is a professional geologist with over 31 years' experience in the natural resources industry. Mr Grivas has held a number of director and management positions with publicly listed mining and exploration companies, including Managing Director of ASX and TSX-listed gold miner Dioro Exploration NL (ASX: DIO), where he oversaw the discovery and development of a gold resource through feasibility to production. Mr Grivas has a strong combination of equity market, M&A, commercial, strategic, and executive management capabilities. Mr Grivas is a member of the AusIMM.

## LEXINGTON GOLD LTD

### REPORT OF THE DIRECTORS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2025

#### DIRECTORS (CONTINUED)

##### Mark Greenwood (70), Non-Executive Director

Mr Greenwood has over 40 years of experience in international banking, capital markets, equity research and broking, investment banking and corporate leadership across the natural resources, financial services, oil & gas, natural resources, information technology and property sectors. Mr Greenwood graduated in law with honours in 1977 and commenced his career in financial services with HSBC in London and Dubai as a commercial banker. He subsequently joined E.F. Hutton & Co. in Dubai, where he traded commodity futures, before moving to Cyprus and later Hong Kong in 1985 as a bank credit analyst with Capital Intelligence. In 1987, he became the first foreigner to broker the Thai Stock Market to institutional investors and has since been based in Thailand. His career has included senior positions as Country Manager for Crosby Securities (later Société Générale) and Asia Equity (now BNP Paribas), where he was engaged in research, sales and investment banking. He was voted "Best Analyst" by Euromoney on multiple occasions, while Asia Equity was voted "Best Thai Stockbroker" during his tenure. Mr Greenwood has also held CEO and senior management positions in several listed companies across the oil & gas, information technology and property sectors. He remains active in the capital markets and became a significant shareholder in Lexington Gold following the acquisition of its USA assets in 2020.

#### MEETINGS OF THE DIRECTORS

The number of meetings of the board of directors of the Company and its committees held during the year ended 31 December 2025 and the number of meetings attended by each director is tabled below:

##### 2025

Director	Number of meetings held whilst in office				Number of meetings attended			
	Board	Remuneration and Succession Planning	Audit and Risk Management	Nomination	Board	Remuneration and Succession Planning	Audit and Risk Management	Nomination
Edward Nealon	6	-	2	1	6	-	2	1
Bernard Olivier	6	-	2	1	6	-	2	1
Melissa Sturgess	6	-	2	1	6	-	2	1
Rhoderick Grivas	6	-	-	1	6	-	-	-
Mark Greenwood	3	-	-	-	3	-	-	-

##### 2024

Director	Number of meetings held whilst in office				Number of meetings attended			
	Board	Remuneration and Succession Planning	Audit and Risk Management	Nomination	Board	Remuneration and Succession Planning	Audit and Risk Management	Nomination
Edward Nealon	4	-	3	-	4	-	3	-
Bernard Olivier	4	-	3	-	4	-	3	-
Melissa Sturgess	4	-	3	-	4	-	3	-
Rhoderick Grivas	4	-	-	-	4	-	-	-

#### INTERESTS IN THE SHARES OF THE COMPANY

The interests of the current directors and their related entities in the shares of Lexington Gold were:

	As at 31 December 2025 <u>Common Shares</u>	As at date of report <u>Common Shares</u>
Edward Nealon	11,583,836	12,856,416
Bernard Olivier	1,776,937	1,776,937
Melissa Sturgess	331,250	840,282
Rhoderick Grivas	3,912,138	3,912,138
Mark Greenwood	32,451,666	34,443,367

#### DIRECTORS' AND EXECUTIVES' EMOLUMENTS

The Board is responsible for determining and reviewing compensation arrangements for the directors and executive management. The Board assesses the appropriateness of the nature and amount of emoluments of such officers on an annual basis by reference to industry and market conditions. In determining the nature and amount of officers' emoluments, the Board takes into consideration the Group's financial and operational performance. Details of the nature and amount of each element of the remuneration of each director of the Group during the financial year are shown in the table below:

**LEXINGTON GOLD LTD**

**REPORT OF THE DIRECTORS (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2025**

**DIRECTORS' AND EXECUTIVES' EMOLUMENTS (CONTINUED)**

**2025**

	<b>Directors' fees</b>	<b>Executive fees (1)</b>	<b>Total</b>
	<b>US\$</b>	<b>US\$</b>	<b>US\$</b>
Edward Nealon	22,500	13,500	36,000
Bernard Olivier	22,500	103,500	126,000
Melissa Sturgess	22,500	-	22,500
Rhoderick Grivas	22,500	13,500	36,000
Mark Greenwood <sup>(2)</sup>	5,625	-	5,625
	<u>95,625</u>	<u>130,500</u>	<u>226,125</u>

**2024**

	<b>Directors' fees</b>	<b>Executive fees (1)</b>	<b>Total</b>
	<b>US\$</b>	<b>US\$</b>	<b>US\$</b>
Edward Nealon	22,500	13,500	36,000
Bernard Olivier	22,500	103,500	126,000
Melissa Sturgess	22,500	-	22,500
Rhoderick Grivas	22,500	13,500	36,000
	<u>90,000</u>	<u>130,500</u>	<u>220,500</u>

(1) For duties as executive director and/or consulting.

(2) Appointed 6 October 2025.

**INCENTIVE SCHEMES**

At a special general meeting held on 26 June 2023 the Company's shareholders approved certain Incentive schemes for Directors, officers, employees and consultants of the Lexington Gold group ("**Eligible Participants**"). Eligible Participants, who are good leavers, may continue to be eligible for awards for up to 12 months from their resignation or retirement. Post the year end at the annual general meeting held on 30 March 2026, these incentive schemes were revised. The main changes involve more closely aligning the annual incentive awards with the interests of shareholders which primarily relates to increases in the Company's share price (the "**Revised Incentive Schemes**"). No payments have yet been made under the Revised Incentive Schemes. The directors are eligible participants in relation to the annual incentive scheme established on 31 March 2026 further details of which are provided below.

The Revised Incentive Schemes included short term awards to Eligible Participants with direct involvement in meeting short term operational targets, for example, production, project or exploration targets and annual incentive awards. The annual incentive awards will be awarded to Eligible Participants with a minimum of 80% of their awards being related to Company performance and the balance related to individual key performance indicators determined by the remuneration committee. The foregoing apportionment is to more closely align the annual incentive awards with the interests of shareholders which is primarily increases in the Company's share price. Eligible Participants' annual incentive awards based on the Company's performance will be based on improvements in the Company's share price in the preceding 12 month period ("**Company Share Price Increase**"). Following shareholder approval, an annual Company Share Price Increase measure was introduced with effect from 31 March 2026. The base share price for the Company Share Price Increase was 5.168 pence per share for the initial year being the higher of i) the VWAP for March 2026 and ii) the highest calendar monthly VWAP during the 12 months to 31 March 2026 in both cases multiplied by 120% (the "**Initial Base Share Price**"). In the second and subsequent years the Company Share Price Increase will be "high water marked" by the Base Share Price for the relevant year being the higher of i) the Initial Base Share Price and ii) the highest Year End Share Price (as defined below) for each previous year since the Initial Year multiplied by 120%. The year end share price for each year will be the 30 day VWAP in the last month of the 12 month period (the "**Year End Share Price**"). The participation rate in the Company Share Price Increase above the Base Share Price for the applicable year will be 5% (the "**Participation Rate**").

## LEXINGTON GOLD LTD

### REPORT OF THE DIRECTORS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2025

#### SHARE OPTIONS AND WARRANTS

On 4 December 2020, the Company granted, in aggregate, 19,610,910 options over new common shares to its directors and senior managers exercisable at a price of 2.75 pence per share (the “Options”). The closing market price of the Company’s share on the date of the award was 2.875 pence per share.

The Options vested in three equal tranches being: (i) one third on their date of issue; (ii) one third on 25 November 2021 (market price: 3.05 pence per share); and (iii) one third on 25 November 2022 (market price: 5.25 pence per share), and are exercisable at 2.75 pence for a period of 10 years from their date of grant. Details of the Options granted to directors but not yet exercised are set out in the table below:

	<b>Number of Options granted and resultant holding of Options</b>
<b>Directors</b>	
Edward Nealon	2,614,788
Bernard Olivier	4,140,081
Melissa Sturgess	2,614,788
Rhoderick Grivas	2,614,788
<b>Total:</b>	<u>11,984,445</u>

During the 2023 financial year, the Company issued warrants for the potential issue of 50,663,639 shares at an exercise price of 10 pence per share which expire on 20 July 2026.

As announced on 13 January 2026, the Company issued warrants for the potential issue of, in aggregate, 38,658,061 shares at an exercise price of 6 pence per share for an exercise period of three years from 20 January 2026.

#### DIRECTORS’ AND OFFICERS’ INSURANCE

During the year, the Company paid an insurance premium in respect of an insurance contract, taken out against the liability of current directors and officers. The directors have not included details of the nature of the liabilities covered or the amount of the premium paid in respect of the directors’ and officers’ liability insurance contract, as disclosure is prohibited under the terms of the contract.

#### ENVIRONMENTAL REGULATION AND PERFORMANCE

Companies within the Group are required, on cessation of mining operations, to rehabilitate the relevant mining area on which mining operations have been conducted. Bernard Olivier, Chief Executive Officer, is the officer responsible for compliance on these matters for all mining properties within the Group. Environmental activities are continuously monitored to ensure that established criteria from each operation and environmental management programmes, approved by relevant authorities, have been met. There have been no known significant breaches of any environmental conditions.

#### CORPORATE GOVERNANCE

As an AIM-quoted company, Lexington Gold Ltd and its subsidiaries are required to apply a recognised corporate governance code, demonstrating how the Group complies with such corporate governance code and where it departs from it.

The Directors of the Company have formally taken the decision to apply the QCA Corporate Governance Code 2023 (the “QCA Code”). The Board recognises the principles of the QCA Code, which focus on the creation of medium to long-term value for shareholders without stifling the entrepreneurial spirit in which small to medium-sized companies, such as Lexington Gold, have been created.

This Corporate Governance Statement sets out how the Company applies the 10 principles of the QCA Code and explains the principal areas in which the Company departs from the QCA Code. The Board will review this statement at least annually and update it as appropriate to reflect the Company’s development, regulatory requirements and shareholder expectations. The updated Corporate Governance Statement is available on the Company’s website at [www.lexingtongold.co.uk](http://www.lexingtongold.co.uk).

#### QCA Corporate Governance Statement

The Company is committed to maintaining good standards of corporate governance appropriate to its size, stage of development and strategy. The Board recognises that good governance supports sound decision-making, effective risk management, responsible business conduct and confidence among shareholders and other stakeholders.

## LEXINGTON GOLD LTD

### REPORT OF THE DIRECTORS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2025

#### CORPORATE GOVERNANCE (CONTINUED)

##### **Principle 1: Establish a purpose, strategy and business model which promotes long-term value for shareholders**

Lexington Gold is a gold exploration and development company with a portfolio of projects in South Africa and the United States. The Group's purpose is to create medium to long-term value for shareholders through the responsible acquisition, exploration, development and potential commercialisation of gold assets.

The Group's strategy is to advance a portfolio of high-quality gold projects through disciplined, technically robust and capital-efficient exploration and development work. The Company seeks to achieve this through:

- Technical expertise and experience: leveraging the geological, mining, public company and capital markets experience of the Board, management team and external technical consultants.
- Focused project advancement: applying modern geological modelling, review of historical exploration data, independent technical input and selective drilling to refine project potential and reduce geological and development risk.
- Strategic partnerships: working with appropriate project partners, including joint venture partners, B-BBEE partners, technical consultants and other stakeholders, to advance projects in a responsible and value-driven manner.
- Capital discipline: allocating capital to workstreams and projects where the Board considers that the return on geological risk, time and shareholder capital is compelling.
- Responsible exploration and development: conducting activities in a responsible manner, with due regard to environmental, regulatory, social and stakeholder considerations.

The principal risks relating to the Group are set out in the Risk Factors and Management section set out at the end of this report of the directors and include, but are not limited to, title and permitting risk, exploration and development risk, commodity price risk, currency risk, reliance on key personnel, financing risk, environmental and regulatory risk and risks associated with operating in multiple jurisdictions. The Board reviews these risks on an ongoing basis and seeks to manage them through appropriate controls, external advice, technical review and regular Board oversight.

##### **Principle 2: Promote a corporate culture that is based on ethical values and behaviours**

The Board is committed to promoting a culture based on ethical conduct, integrity, responsible exploration and compliance with applicable laws and regulations. The Board recognises that maintaining a sound corporate culture is important to the Company's long-term success and to the responsible advancement of its projects. The Company has adopted policies and procedures to support this culture, including:

- anti-bribery and anti-corruption procedures;
- share dealing procedures;
- AIM Rules and Market Abuse Regulation compliance procedures;
- ESG and environmental compliance principles;
- appropriate financial controls and approval processes; and
- procedures for engagement with external advisers, consultants and service providers.

The Board and management seek to ensure that Lexington Gold's activities are conducted responsibly and ethically, including through the use of reputable technical consultants, appropriate external legal and regulatory advisers and compliance with applicable environmental and mineral tenure requirements in the jurisdictions in which the Group operates.

##### **Principle 3: Seek to understand and meet shareholder needs and expectations**

The Board is committed to maintaining effective communication with shareholders and to understanding shareholder views and expectations.

The Company communicates with shareholders through its Annual Report and Financial Statements, interim results, regulatory announcements, investor presentations, its website and shareholder meetings. Significant corporate and operational developments are announced through the Regulatory News Service of the London Stock Exchange and are made available on the Company's website.

## LEXINGTON GOLD LTD

### REPORT OF THE DIRECTORS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2025

#### CORPORATE GOVERNANCE (CONTINUED)

The Company's Annual General Meeting and other shareholder meetings are held in Bermuda, being the jurisdiction in which the Company is incorporated. The Board recognises that holding shareholder meetings in Bermuda does not facilitate shareholder engagement to the same extent as holding meetings in the United Kingdom. However, the Company provides detailed explanatory notes for all resolutions put to shareholder meetings in the notices of meeting in order to assist shareholders in their voting decisions.

The Board also engages with shareholders and prospective investors through meetings, presentations and broker-led engagement where appropriate. The Company's principal shareholder contact is its Chief Executive Officer, Dr Bernard Olivier. Shareholders may also contact the Company through the contact details provided on the Company's website.

#### **Principle 4: Take into account wider stakeholder interests, including social and environmental responsibilities, and their implications for long-term success**

The Board recognises that the long-term success of the Company is dependent not only on its relationship with shareholders, but also on constructive engagement with a range of wider stakeholders. These include joint venture partners, local communities, regulators, employees and consultants, technical advisers, contractors, suppliers, landowners, B-BBEE partners and other project-level stakeholders.

The Company seeks to act in a way that upholds the following principles:

- considering the likely long-term consequences of Board decisions;
- acting fairly between shareholders;
- maintaining a reputation for high standards of business conduct;
- fostering constructive relationships with joint venture partners, advisers, suppliers, consultants and regulators;
- considering the interests of employees, consultants and other service providers;
- considering the impact of the Company's activities on local communities and the environment; and
- ensuring that exploration activities are undertaken responsibly and in accordance with applicable regulatory and environmental requirements.

In South Africa, the Company works with its B-BBEE partner and local stakeholders to support responsible project activities and inclusive participation where practicable. The Company also seeks to use local contractors and service providers where appropriate.

The Company's current activities are primarily exploration and development related. The Board nevertheless recognises the importance of environmental management and responsible land access practices. Environmental activities are monitored to ensure that applicable requirements are met.

#### **Principle 5: Embed effective risk management, internal controls and assurance activities, considering both opportunities and threats, throughout the organisation**

The Board is responsible for establishing and maintaining the Group's system of internal control and risk management. The Board recognises that internal control systems are designed to manage rather than eliminate risk and can provide reasonable, but not absolute, assurance against material misstatement or loss.

The Group's risk management and internal control processes include:

- Identification and management of business risks: the Board identifies the principal business risks faced by the Group and determines the appropriate course of action to manage those risks.
- Budgets and business plans: the Board approves the Group's business plan and annual budget. Performance and expenditure are monitored throughout the year through regular reporting to the Board.
- Investment appraisal and capital allocation: capital expenditure is controlled through budgeting and authorisation processes. Material expenditure, acquisitions or project commitments require detailed consideration and approval by the Board.
- External technical, legal and regulatory advice: the Company uses external advisers and consultants where appropriate, including technical consultants, legal advisers, auditors, its nominated adviser, brokers and other professional advisers.
- Financial controls: the Company maintains financial reporting and approval procedures appropriate for its size and stage of development. These controls are reviewed by the Board and the Audit Committee.

## LEXINGTON GOLD LTD

### REPORT OF THE DIRECTORS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2025

#### CORPORATE GOVERNANCE (CONTINUED)

- Audit Committee oversight: the Audit Committee receives reports from management and the external auditors, reviews the annual and interim financial reporting process and monitors internal financial controls.

The Board's risk appetite reflects the Company's status as an exploration and development company. The Board recognises that mineral exploration is inherently speculative and that the Company must accept an appropriate level of technical, permitting and funding risk in order to pursue value creation. However, the Board seeks to mitigate these risks through technical discipline, phased expenditure, external assurance, active project review and capital discipline.

#### **Principle 6: Establish and maintain the Board as a well-functioning, balanced team led by the chair**

The Board comprises five Directors, of whom one is an executive director and four are non-executive directors, reflecting a blend of geological, mining, technical, public company, capital markets, corporate finance and commercial experience.

The Board is responsible for determining policy and business strategy, setting financial and other performance objectives, monitoring achievement and ensuring that the Group's activities are conducted in accordance with applicable legal and regulatory requirements.

The Chairman is responsible for leadership of the Board and for ensuring that the Board operates effectively. The Chief Executive Officer is responsible for the day-to-day management of the Group and the implementation of the Company's strategy, as approved by the Board.

The Board considers Melissa Sturgess and Rhoderick Grivas to be independent non-executive directors for the purposes of the QCA Code. Edward Nealon is not considered independent in light of his significant tenure with the Company since 2004. Mark Greenwood is not considered independent in light of his significant shareholding in the Company

The Board is satisfied that it has a suitable balance between independence, project knowledge, commercial judgement and technical expertise to discharge its duties effectively. The Board is also satisfied that each Director has sufficient time to fulfil their role.

Under the Company's Bye-laws, the appointment of all new Directors must be approved by shareholders in a general meeting. In addition, one third of Directors are required to retire and submit themselves for re-election at each Annual General Meeting. Accordingly, the Company does not currently provide for annual re-election of all Directors, as contemplated by the QCA Code. The Board considers that the current arrangements are appropriate for the Company at this stage and are consistent with its Bye-laws.

Details of the Directors, their biographies, meeting attendance and interests in the shares of the Company are set out earlier in this Directors' Report and on the Company's website.

#### **Principle 7: Maintain appropriate governance structures and ensure that individually and collectively the Directors have the necessary up-to-date experience, skills and capabilities**

The Board considers that the Directors collectively provide an appropriate range of skills and experience for the Company's current size, stage of development and strategy, including experience in geology, mining, exploration, corporate finance, public markets, AIM-quoted companies, capital raisings, governance and project development.

The Directors maintain their skills and knowledge through their ongoing roles, professional experience, engagement with advisers, review of regulatory developments and participation in Board and committee processes. The Company's nominated adviser, legal advisers, auditors, brokers and other external advisers provide advice and updates to the Board as required.

The Board has established the following committees:

- Audit Committee;
- Remuneration and Succession Planning Committee;
- Nomination Committee; and
- AIM Rules and Market Abuse Regulation Compliance Committee.

## LEXINGTON GOLD LTD

### REPORT OF THE DIRECTORS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2025

#### CORPORATE GOVERNANCE (CONTINUED)

The Board and its committees are provided with appropriate information in advance of meetings where practicable, enabling informed discussion and decision-making. All Directors have access to the Company Secretary, the Company's nominated adviser, legal advisers and other professional advisers as required. Any Director requiring independent professional advice in furtherance of their duties may obtain such advice at the expense of the Company.

The current composition of the committees is as follows:

<b>Committee</b>	<b>Members</b>
Audit Committee	Melissa Sturgess (Chair), Edward Nealon, Bernard Olivier
Remuneration and Succession Planning Committee	Edward Nealon (Chair), Melissa Sturgess, Mark Greenwood
Nomination Committee	Edward Nealon (Chair), Melissa Sturgess, Bernard Olivier, Rhoderick Grivas, Mark Greenwood
AIM Rules and MAR Compliance Committee	Melissa Sturgess (Chair), Rhoderick Grivas

The Audit Committee receives reports from management and the external auditors relating to the interim report and the Annual Report and Financial Statements, reviews reporting requirements and monitors the effectiveness of the Company's accounting systems and controls. The Audit Committee has unrestricted access to the Company's auditors. BDO Audit Pty Ltd, the current external auditors, have been in office since 2015 and the last time a tender for the audit took place was in 2020. The external auditors present their annual audit findings to the Board.

The Remuneration and Succession Planning Committee determines the scale and structure of remuneration for the executive Director and senior management and considers the grant of options or other incentives where appropriate.

The Nomination Committee is involved in the identification and approval of Board members which the Board considers appropriate having regard to the Company's size, strategy and stage of development.

The AIM Rules and Market Abuse Regulation Compliance Committee monitors the Company's compliance with the AIM Rules for Companies and the UK Market Abuse Regulation, with the assistance of the Company's nominated adviser and other advisers where appropriate.

#### **Principle 8: Evaluate board performance based on clear and relevant objectives, seeking continuous improvement**

The Board recognises the importance of reviewing its performance and effectiveness. Given the current size and nature of the Company, the Board does not currently consider it appropriate to have a formal externally facilitated Board evaluation process in place.

The Board therefore does not currently comply fully with Principle 8 of the QCA Code. However, the Board keeps its composition, performance and effectiveness under ongoing review through regular Board discussions, committee processes and engagement with advisers. The Chairman and the Board consider the effectiveness of Board processes, information flows, decision-making and the balance of skills and experience on an ongoing basis.

The Board will continue to monitor the appropriateness of its evaluation processes as the Group develops and will consider introducing a more formal Board performance review process, including an externally facilitated review, when the Board considers that it is appropriate having regard to the Company's size, complexity and stage of development.

Succession planning is considered by the Board and the Nomination Committee as part of the ongoing assessment of Board composition and the skills required to support the Company's strategy.

#### **Principle 9: Establish a remuneration policy which is supportive of long-term value creation and the Company's purpose, strategy and culture**

The Board seeks to ensure that remuneration is appropriate to attract, retain and motivate Directors and senior management of the required quality, while maintaining capital discipline and alignment with shareholder interests.

## LEXINGTON GOLD LTD

### REPORT OF THE DIRECTORS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2025

#### CORPORATE GOVERNANCE (CONTINUED)

The Remuneration and Succession Planning Committee considers the scale and structure of remuneration for the executive Director and senior management and approves the grant of options or other incentives where appropriate. In determining remuneration, the Committee considers the Company's size, stage of development, financial position, operational progress, market conditions and the need to retain individuals with the appropriate skills and experience.

As reported above, at the special general meeting held on 26 June 2023 the Company's shareholders approved certain Incentive schemes for Directors, officers, employees and consultants of the Lexington Gold group ("**Eligible Participants**"). Eligible Participants, who are good leavers, may continue to be eligible for awards for up to 12 months from their resignation or retirement. Post the year end at the annual general meeting held on 30 March 2026, such incentive schemes were revised. The primary changes relate to the Annual Incentive Schemes so as to more closely align the annual incentive awards with the interest of shareholders which is primarily increases in the Company's share price (the "**Revised Incentive Schemes**").

The Company's remuneration approach is intended to support long-term value creation by aligning management and shareholder interests, while avoiding excessive fixed costs. Details of Directors' remuneration, share options and warrants are set out earlier in this Directors' Report.

#### **Principle 10: Communicate how the Company is governed and is performing by maintaining a dialogue with shareholders and other relevant stakeholders**

The Company communicates with shareholders and other stakeholders through its Annual Report and Financial Statements, interim results, regulatory announcements, investor presentations, the Company's website, Annual General Meetings and direct engagement where appropriate.

The Company's Annual General Meeting and other shareholder meetings are held in Bermuda, being the jurisdiction in which the Company is incorporated. The Board recognises that holding shareholder meetings in Bermuda does not facilitate shareholder engagement to the same extent as holding meetings in the United Kingdom. However, the Company provides detailed explanatory notes for all resolutions put to shareholder meetings in the notices of meeting in order to assist shareholders with their voting decisions.

The Company's website contains information on the Company's projects, Board, announcements, governance arrangements and AIM Rule 26 disclosures. Historical annual reports, notices of meetings and other investor materials are made available through the website.

The Board attaches importance to maintaining constructive relationships with shareholders. The Chief Executive Officer is the principal shareholder contact, and the Chairman and other Directors are available for shareholder engagement where appropriate.

The Company discloses the results of shareholder votes following general meetings. Where a significant proportion of votes were to be cast against a resolution, the Board would seek to understand the reasons for such voting and consider what actions, if any, should be taken in response.

#### **Departures from the QCA Code**

The Board considers that the Company applies the QCA Code in a manner appropriate to its size, stage of development and circumstances. The principal areas of departure are as follows:

#### **Principle 6 - Annual re-election of all Directors**

The Company's Bye-laws require one third of Directors to retire and submit themselves for re-election at each Annual General Meeting, rather than all Directors standing for annual re-election. The Board considers that the current arrangements remain appropriate for the Company at this stage.

#### **Principle 8 - Formal Board evaluation**

The Company does not currently undertake a formal externally facilitated Board evaluation. Given the Company's size and stage of development, the Board considers that ongoing informal review by the Board and Chairman is currently appropriate. The Board will keep this under review as the Company develops.

## LEXINGTON GOLD LTD

### REPORT OF THE DIRECTORS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2025

#### CORPORATE GOVERNANCE (CONTINUED)

##### Shareholder meetings held in Bermuda

The Company is incorporated in Bermuda and holds its shareholder meetings in Bermuda, which does not facilitate shareholder engagement to the same extent as a UK incorporated company holding meetings in the United Kingdom. The Company provides detailed explanatory notes for all resolutions put to shareholder meetings in the notices of meeting in order to assist shareholders with their voting decisions.

#### RISK FACTORS AND MANAGEMENT

The Company's Admission document dated 30 October 2020 in Part III on page 46 detailed the risk factors applicable to the Company and its operations. The Admission document can be downloaded from the Company's AIM Rule 26 web page. These risks include but are not limited to:

##### Title risk

The Group has diligently investigated its title to, and rights and interests in, the Mining Lease Agreements and licences that constitute its projects in the USA and South Africa respectively, and, to the best of its knowledge, such title, rights and interests are in good standing, although this should not be construed as a guarantee of the same. The Mining Lease Agreements and licences may be subject to undetected defects. If a defect does exist, it is possible that the Group may lose all or part of its interest in the Mining Lease Agreements and licences to which the defect relates and its planned exploration programmes and future activities and prospects may accordingly be adversely affected.

##### General exploration and mining extraction risks

The business of exploration for, and development and exploitation of, mineral deposits is speculative and involves a high degree of risk, which even a combination of careful evaluation, experience and knowledge may not eliminate. Mineral deposits assessed by the Group may not ultimately contain economically recoverable volumes of resources and even if they do, delays in the construction and commissioning of mining projects or other technical difficulties may result in any projected target dates for production being delayed or further capital expenditure being required.

##### Commodity price risk

The inherent value and economic viability of the Company's exploration projects is linked to commodity prices generally and specifically to the price of gold as the Company's current projects are all gold focussed.

##### Currency risk

The Group reports its financial results and maintains its accounts in United States Dollars, the currency in which the Group primarily operates. The Group does not have any currency hedges in place and is exposed to foreign currency movements.

##### Dependence on key personnel

The success of the Group is, and will continue to be, to a significant extent, dependent on retaining the services of the directors and senior management and the loss of one or more could have a materially adverse effect on the Group.

Signed in accordance with a resolution of the directors.



**Bernard Olivier**  
**Chief Executive Officer**

19 June 2026

## INDEPENDENT AUDITOR'S REPORT

To the members of Lexington Gold Limited

### Report on the Audit of the Financial Report

#### Opinion

We have audited the financial report of Lexington Gold Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 31 December 2025, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion the accompanying financial statements present fairly, in all material respects the financial position of the Group as at 31 December 2025 and of its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards (IFRSs) as issued by the International Accounting Standards Board ('IASB').

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISA). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* that are relevant to our audit of the financial report. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Material uncertainty related to going concern

We draw attention to Note 2(a) in the financial report which describes the events and/or conditions which give rise to the existence of a material uncertainty that may cast significant doubt about the group's ability to continue as a going concern and therefore the group may be unable to realise its assets and discharge its liabilities in the normal course of business. Our opinion is not modified in respect of this matter.

#### Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

In addition to the matter described in the *Material uncertainty related to going concern* section, we have determined the matters described below to be the key audit matters to be communicated in our report.

### Carrying Value of Exploration and Evaluation Assets

As disclosed in Note 6 to the financial report, the carrying value of capitalised exploration and evaluation assets represents a material asset of the Group at 31 December 2025.

In accordance with IFRS 6 Exploration for and Evaluation of Mineral Resources, the recoverability of exploration and evaluation expenditure requires judgment by management in determining whether there are any facts or circumstances that exist to suggest that the carrying amount of this asset may exceed its recoverable amount. As a result, this is considered a key audit matter.

Our procedures included, but were not limited to:

- Obtaining a schedule of the areas of interest held by the Group and assessing whether the rights to tenure of those areas of interest remained current at balance date;
- Considering the status of the ongoing exploration programmes in the respective areas of interest by holding discussions with management, and reviewing the Group's exploration budgets, AIM announcements and directors' minutes;
- Considering whether any areas of interest had reached a stage where a reasonable assessment of economically recoverable reserves existed;
- Considering whether any facts or circumstances existed to suggest impairment testing was required; and
- Assessing the adequacy of the related disclosures in Note 2(m) and Note 6 to the Financial Report.

### Other information

The directors are responsible for the other information. The other information comprises the information in the Group's annual report for the year ended 31 December 2025, but does not include the financial report and the auditor's report thereon.

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### Responsibilities of the directors for the Financial Report

The directors of the Company are responsible the preparation and fair presentation of the financial report in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ('IASB') and for such internal control as the directors determine is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

#### Auditor's responsibilities for the audit of the Financial Report

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

A further description of our responsibilities for the audit of the financial statement is located in Appendix 1. This description forms part of our auditor's report.

BDO Audit Pty Ltd



Glyn O'Brien

Director

Perth, 19 June 2026

## APPENDIX 1 - ADDITIONAL INFORMATION ON THE AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENT

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of director's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

LEXINGTON GOLD LTD

FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2025

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Note	<u>2025</u> US\$'000	<u>2024</u> US\$'000
Operating expenses	4	(950)	(881)
Impairment	6	-	(792)
<b>Operating loss</b>		<b>(950)</b>	<b>(1,673)</b>
Fair value gain on derivative liability	19	144	243
Net finance income		2	2
<b>Loss before taxation</b>		<b>(804)</b>	<b>(1,428)</b>
Income tax expense	5	(25)	-
<b>Loss for the year</b>		<b>(829)</b>	<b>(1,428)</b>
<b>Attributable to:</b>			
Equity owners of the parent		(537)	(567)
Non-controlling interest		(292)	(861)
<b>Other comprehensive income</b>			
Loss for the year		(829)	(1,428)
<i>Items that may be reclassified to profit or loss:</i>			
Exchange gains/(losses) arising on translation of foreign operations		631	(23)
<b>Total comprehensive loss for the year</b>		<b>(198)</b>	<b>(1,451)</b>
<b>Attributable to:</b>			
Equity owners of the parent		(131)	(568)
Non-controlling interest		(67)	(883)
<b>Total comprehensive loss for the year</b>		<b>(198)</b>	<b>(1,451)</b>
<b>Loss per share attributable to the owners of the parent during the year</b>			
Basic and diluted loss per share (US cents/share)	16	(0.13)	(0.15)

The accompanying notes form part of these financial statements.

**LEXINGTON GOLD LTD**

**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2025**

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2025**

	Note	2025 US\$'000	2024 US\$'000
<b>Assets</b>			
<b>Non-current assets</b>			
Exploration and evaluation assets	6	<u>16,402</u>	15,467
<b>Total non-current assets</b>		<u>16,402</u>	<u>15,467</u>
<b>Current assets</b>			
Other receivables	7	98	64
Restricted cash and cash equivalents	8	48	55
Cash and cash equivalents	9	<u>280</u>	855
<b>Total current assets</b>		<u>426</u>	<u>974</u>
<b>Total assets</b>		<u>16,828</u>	<u>16,441</u>
<b>Equity</b>			
Share capital	10	1,306	1,197
Share premium	11	69,422	67,293
Shares to be issued	12	1,556	3,113
Share option reserve	13	651	651
Foreign currency translation reserve	14	307	(99)
Accumulated loss		<u>(58,728)</u>	<u>(58,191)</u>
<b>Total equity attributable to equity owners of the parent</b>		<u>14,514</u>	13,964
Non-controlling interest	15	<u>1,683</u>	1,750
<b>Total equity</b>		<u>16,197</u>	<u>15,714</u>
<b>Current liabilities</b>			
Trade and other payables	17	119	578
Income tax payable		28	-
Borrowings	18	479	-
Derivative liability	19	5	149
<b>Total current liabilities</b>		<u>631</u>	<u>727</u>
<b>Total equity and liabilities</b>		<u>16,828</u>	<u>16,441</u>

The accompanying notes form part of these financial statements.

LEXINGTON GOLD LTD

FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2025

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Note	Issued share capital US\$'000	Share premium US\$'000	Shares to be issued US\$'000	Share option reserve US\$'000	Foreign currency translation reserve US\$'000	Accumulated loss US\$'000	Total equity attributable to shareholders US\$'000	Non-controlling interest US\$'000	Total equity US\$'000
<b>Year ended 31 December 2025</b>									
<b>At start of year</b>	1,197	67,293	3,113	651	(99)	(58,191)	13,964	1,750	15,714
Total comprehensive loss for the year	-	-	-	-	406	(537)	(131)	(67)	(198)
Loss for the year	-	-	-	-	-	(537)	(537)	(292)	(829)
Foreign exchange on translation	-	-	-	-	406	-	406	225	631
<b>Transactions with owners in their capacity as owners:</b>									
Issue of share capital	109	2,129	(1,557)	-	-	-	681	-	681
<b>At end of year</b>	<b>1,306</b>	<b>69,422</b>	<b>1,556</b>	<b>651</b>	<b>307</b>	<b>(58,728)</b>	<b>14,514</b>	<b>1,683</b>	<b>16,197</b>
<b>Year ended 31 December 2024</b>									
<b>At start of year</b>	1,121	65,425	5,058	651	(98)	(57,624)	14,533	2,633	17,166
Total comprehensive loss for the year	-	-	-	-	(1)	(567)	(568)	(883)	(1,451)
Loss for the year	-	-	-	-	-	(567)	(567)	(861)	(1,428)
Foreign exchange on translation	-	-	-	-	(1)	-	(1)	(22)	(23)
<b>Transactions with owners in their capacity as owners:</b>									
Issue of share capital	77	1,868	(1,945)	-	-	-	-	-	-
Expired offer	(1)	-	-	-	-	-	(1)	-	(1)
<b>At end of year</b>	<b>1,197</b>	<b>67,293</b>	<b>3,113</b>	<b>651</b>	<b>(99)</b>	<b>(58,191)</b>	<b>13,964</b>	<b>1,750</b>	<b>15,714</b>

The accompanying notes form part of these financial statements.

**LEXINGTON GOLD LTD**

**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2025**

**CONSOLIDATED STATEMENT OF CASH FLOWS**

	<b>Note</b>	<b><u>2025</u></b> <b>US\$'000</b>	<b><u>2024</u></b> <b>US\$'000</b>
<b>Cash flows from operating activities</b>			
Cash utilised by operations	20.1	<b>(1,032)</b>	(937)
Interest received		<b>9</b>	2
		<hr/>	<hr/>
Net cash flows utilised in operating activities		<b>(1,023)</b>	(935)
<b>Cash flows from investing activities</b>			
Payments for exploration		<b>(808)</b>	(886)
Investment in restricted cash		<b>15</b>	(9)
		<hr/>	<hr/>
Net cash flows utilised by investing activities		<b>(793)</b>	(895)
<b>Cash flows from financing activities</b>			
Proceeds from issue of shares	20.2	<b>705</b>	-
Share issue cost		<b>(24)</b>	-
Proceeds from borrowings		<b>458</b>	-
		<hr/>	<hr/>
Net cash flows generated from financing activities		<b>1,139</b>	-
		<hr/>	<hr/>
Net decrease in cash and cash equivalents		<b>(677)</b>	(1,830)
<b>Movement in cash and cash equivalents</b>			
Net foreign currency exchange losses		<b>102</b>	68
At the beginning of the year		<b>855</b>	2,617
Net decrease in cash and cash equivalents		<b>(677)</b>	(1,830)
		<hr/>	<hr/>
<b>Cash and cash equivalents at the end of the year</b>		<b>280</b>	855
		<hr/>	<hr/>

The accompanying notes form part of these financial statements.

## LEXINGTON GOLD LTD

### FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

#### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

##### 1 GENERAL INFORMATION

Lexington Gold Ltd (the “**Company**”, “**Lexington Gold**” or “**Lexington**”) and its subsidiaries (together, “**the Group**”) is focused on the exploration and development of its three diverse gold projects, covering a combined area of approximately 1,326 acres in North and South Carolina, USA and six gold projects covering approximately 114,638 hectares in South Africa.

The Company is a limited liability company incorporated and domiciled in Bermuda. The address of its registered office is Clarendon House, 2 Church Street, Hamilton, HM 11, Bermuda.

The Company is quoted on the Alternative Investment Market (“**AIM**”) of the London Stock Exchange. The financial statements were authorised for issue by the directors on 19 June 2026.

##### 2 MATERIAL ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of the consolidated financial statements are set out below. These policies have been consistently applied to all the years presented unless otherwise stated.

###### (a) Going concern basis of accounting

For the year ended 31 December 2025, the Group recorded a loss of US\$0.83 million (2024: US\$1.4 million) and had net cash outflows from operating activities of US\$1.0 million (2024: US\$0.9 million). An operating loss is expected in the year subsequent to the date of these accounts. The ability of the entity to continue as a going concern is dependent on the Group generating positive operating cash flows and/or securing additional funding through the raising of debt or equity to fund its projects and activities.

These conditions indicate a material uncertainty that may cast a significant doubt about the entity’s ability to continue as a going concern such that it may be unable to realise its assets and discharge its liabilities in the normal course of business.

The financial statements have been prepared on the basis that the entity is a going concern, which contemplates the continuity of normal business activity, realisation of assets and settlement of liabilities in the normal course of business for the following reasons:

- The Company secured additional funding by way of a £1,190,000 gross (approximately US\$1,620,000) equity fundraise on 13 January 2026;
- The Directors are confident that they will be able to raise additional funds to satisfy the Group’s cash requirements as and when necessary; and
- The Directors have the ability to reduce expenditure in order to preserve cash if required.

Should the entity not be able to continue as a going concern, it may be required to realise its assets and discharge its liabilities other than in the ordinary course of business, and at amounts that differ from those stated in the financial statements. This financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts or liabilities that might be necessary should the entity not continue as a going concern.

###### (b) Basis of preparation

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (“**IFRS**”), interpretations of the International Financial Reporting Interpretations Committee (“**IFRIC**”) and Bermuda Companies Act, 1981. The consolidated financial statements have been prepared under the historical cost convention, as modified by:

- Share options measured at fair value; and
- Financial assets and liabilities at fair value through profit or loss.

**LEXINGTON GOLD LTD**

**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2025**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

**2 MATERIAL ACCOUNTING POLICIES (CONTINUED)**

**(c) Significant judgements in applying accounting policies and key sources of estimation uncertainty**

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are summarised below.

Judgements:

- **Control over projects – Notes 2(e) and 24**  
The assessment of control over a subsidiary requires significant judgement and consideration of various factors. Control is achieved when the Group is exposed to, or has rights to, variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. The Group holds a 74% interest in White Rivers Exploration (Pty) Ltd ("**WRE**") and WRE holds a 65% interest in Jelani Resources (Pty) Ltd ("**Jelani Resources**"). While the effective ownership in Jelani Resources (48%) is below 50%, the substance of the relationship demonstrates control. The decision-making ability at the Jelani Resources level is effectively controlled by WRE (through its 65% stake), which is, in turn, controlled by the Group.
- **The capitalisation and recoverability of exploration and evaluation expenditures – Notes 2(m) and 6**  
The application of the Group's accounting policy for exploration and evaluation assets requires judgement in determining whether it is likely that costs incurred will be recovered through successful development or sale of the asset under review when assessing impairment. Estimates and assumptions made may change if new information becomes available. If, after expenditures are capitalised, information becomes available suggesting that the recovery of expenditures is unlikely, the amount capitalised is written off in the net profit or loss in the period when the new information becomes available.

Estimates and assumptions:

- **Accounting for warrant liabilities – Notes 2(p), 19 and 22**  
When the fair value of financial liabilities recorded in the statement of financial position cannot be measured based on quoted prices in active markets, they are measured using model valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in estimating fair values. The application of the Black-Scholes option-pricing model requires the use of a number of inputs and significant assumptions including volatility.

**(d) New and amended standards not early adopted by the Group**

At the date of approval of these financial statements, the following Standards and Interpretations which may be applicable to the Group, but have not been applied in these financial statements, were in issue but not yet effective:

<i>Details of amendment</i>	<i>Effective date</i>
<b>Amendments to IFRS 9 and IFRS 7 regarding the classification and measurement of financial instruments</b>  The amendments address matters identified during the post-implementation review of the classification and measurement requirements of IFRS 9 <i>Financial Instruments</i> .	Annual reporting periods beginning on or after 1 January 2026

# LEXINGTON GOLD LTD

## FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

#### 2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

##### (d) New and amended standards not early adopted by the Group (continued)

<b>IFRS 18 Presentation and Disclosures in Financial Statements</b> IFRS 18 includes requirements for all entities applying IFRS for the presentation and disclosure of information in financial statements.	Annual reporting periods beginning on or after 1 January 2027
<b>IFRS 19 Subsidiaries without Public Accountability: Disclosures</b> IFRS 19 specifies the disclosure requirements an eligible subsidiary is permitted to apply instead of the disclosure requirements in other IFRS Accounting Standards.	Annual reporting periods beginning on or after 1 January 2027

The Group is in the process of assessing the impact that the adoption of these standards will have on its financial statements in the period of initial adoption.

IFRS 18 *Presentation and Disclosures in Financial Statements*, which was issued by the IASB in April 2024 supersedes IAS 1 and will result in major consequential amendments to IFRS Accounting Standards including IAS 8 *Basis of Preparation of Financial Statements* (renamed from *Accounting Policies, Changes in Accounting Estimates and Errors*). Even though IFRS 18 will not have any effect on the recognition and measurement of items in the consolidated financial statements, it is expected to have a significant effect on the presentation and disclosure of certain items. These changes include categorisation and sub-totals in the statement of profit or loss, aggregation/disaggregation and labelling of information, and disclosure of management-defined performance measures.

The Group does not expect to be eligible to apply IFRS 19.

##### (e) Consolidation

###### Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis either at fair value or the non-controlling interest's proportionate share of the recognised amounts of the acquiree's identifiable net assets.

Acquisition-related costs are expensed as incurred.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date; any gains or losses arising from such re-measurement are recognised in profit or loss.

Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in accordance with IFRS 9 either in profit or loss or as a change to other comprehensive income. Contingent consideration that is classified as equity is not re-measured, and its subsequent settlement is accounted for within equity.

**LEXINGTON GOLD LTD**

**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2025**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

**2 MATERIAL ACCOUNTING POLICIES (CONTINUED)**

**(e) Consolidation (continued)**

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recorded as goodwill. If the total of consideration transferred, non-controlling interest recognised and previously held interest measured is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in profit or loss.

Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated. When necessary, amounts reported by subsidiaries have been adjusted to conform with the Group's accounting policies.

**(f) Foreign currency**

*Functional and presentation currency*

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in United States dollars ("US\$") rounded to the nearest thousand unless stated otherwise.

*Foreign currency transactions*

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to the functional currency at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in profit or loss. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

*Financial statements of foreign operations*

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on consolidation, are translated to US\$ at foreign exchange rates ruling at the reporting date. The revenues and expenses of foreign operations are translated to US\$ at rates approximating to the foreign exchange rates ruling at the dates of the transactions. Foreign currency differences are recognised directly in equity in the foreign currency translation reserve ("FCTR"). When a foreign operation is disposed of, in part or in full, the relevant amount in the FCTR is transferred to profit or loss. Foreign exchange gains and losses arising from a monetary item receivable or payable to a foreign operation, the settlement of which is neither planned nor likely in the foreseeable future are considered to form part of a net investment in a foreign operation and are recognised directly in equity.

**(g) Financial instruments**

*(i) Recognition, initial measurement and derecognition*

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted by transaction costs, except for those carried at fair value through profit or loss, which are measured initially at fair value. Subsequent measurement of financial assets and financial liabilities are described below.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

*(ii) Classification and subsequent measurement of financial assets*

All financial assets are initially measured at fair value adjusted for transaction costs (where applicable).

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs, finance income or other financial items, except for impairment of trade receivables which is presented within other expenses.

## LEXINGTON GOLD LTD

### FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

#### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

#### 2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

##### (g) Financial instruments (continued)

###### (iii) Subsequent measurement financial assets

###### *Financial assets at amortised cost*

Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as FVPL):

- they are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows; and
- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial. The Group's cash and cash equivalents, trade and most other receivables fall into this category of financial instruments.

###### (iv) Classification and measurement of financial liabilities

The Group's financial liabilities include trade and other payables.

Financial liabilities are initially measured at fair value, and, where applicable, adjusted for transaction costs unless the Group designated a financial liability at fair value through profit or loss.

Subsequently, financial liabilities are measured at amortised cost using the effective interest method except for derivatives and financial liabilities designated at FVPL, which are carried subsequently at fair value with gains or losses recognised in profit or loss (other than derivative financial instruments that are designated and effective as hedging instruments).

All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in profit or loss are included within finance costs or finance income.

##### (h) Share capital

Ordinary and A class shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares and share options are shown in equity as a deduction, net of tax, from the proceeds.

##### (i) Employee benefits

###### Share-based payment transactions

The Group operates an equity-settled, share-based compensation plan, under which the entity receives services from employees as consideration for equity instruments of the Group. The fair value of the employee services received in exchange for the grant of the options is recognised as an expense. The total amount to be expensed is determined by reference to the fair value of the options granted:

- including any market performance conditions (for example, an entity's share price);
- excluding the impact of any service and non-market performance vesting conditions (for example, profitability, sales growth targets and remaining an employee of the entity over a specified time period); and
- including the impact of any non-vesting conditions (for example, the requirement for employees to save).

Non-market vesting conditions are included in assumptions about the number of options that are expected to vest. The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each reporting period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting conditions. It recognises the impact of the revision to original estimates, if any, in the statement of comprehensive income, with a corresponding adjustment to equity.

**LEXINGTON GOLD LTD**

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

**2 MATERIAL ACCOUNTING POLICIES (CONTINUED)**

**(i) Employee benefits (continued)**

Share-based payment transactions (continued)

When the options are exercised, the Company issues new shares. The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium when the options are exercised.

The grant by the Company of options over its equity instruments to the employees of subsidiary undertakings in the Group is treated as a capital contribution. The fair value of employee services received, measured by reference to the grant date fair value, is recognised over the vesting period as an increase to investment in subsidiary undertakings, with a corresponding credit to equity.

Short-term employee benefits

Short-term employee benefits are those that are paid within 12 months after the end of the period in which the services have been rendered and are measured on an undiscounted basis and are expensed as the related service is provided. A provision is recognised for the amount expected to be paid under short-term cash bonus or profit sharing plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Defined contribution plans

Contributions to defined contribution retirement benefit plans are recognised in profit or loss in the periods during which services are rendered by employees. The Group pays contributions to publicly administered pension insurance plans on a mandatory and contractual basis. The Group has no legal or constructive obligations to pay further contributions if the plans do not hold sufficient assets to pay employees the benefits relating to employee service in the current and prior periods.

**(j) Expenses**

Finance income and costs

Finance costs comprises interest payable on borrowings calculated using the effective interest rate method and unwinding of the discount on provisions.

Finance income is recognised in profit or loss as it accrues, using the effective interest method.

**(k) Tax expense**

Tax expense comprises current and deferred tax. Tax is recognised in profit or loss except to the extent that it relates to items recognised in other comprehensive income or directly in equity, in which case tax is also recognised in other comprehensive income or directly in equity, respectively.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustments to tax payable in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for:

- the initial recognition of assets or liabilities that affect neither accounting nor taxable profit and does not give rise to equal taxable and deductible temporary differences;
- differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future; and
- the initial recognition of assets and liabilities in a transaction that is not a business combination.

**LEXINGTON GOLD LTD**

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

**2 MATERIAL ACCOUNTING POLICIES (CONTINUED)**

**(k) Tax expense (continued)**

The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using the tax rate enacted or substantively enacted at the reporting date. A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities when there is an intention to settle the balances on a net basis.

**(l) Earnings per share**

The Group presents basic and diluted earnings per share (“**EPS**”) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of shares outstanding for the effects of all dilutive potential ordinary shares, which comprise convertible notes, warrants and share options granted to employees.

**(m) Exploration, evaluation and development expenditure**

All costs incurred prior to obtaining the legal right to undertake exploration and evaluation activities on a project are written off as incurred. Following the granting of a prospecting right, general administration and overhead costs directly attributable to exploration and evaluation activities are expensed and all other costs are capitalised and recorded at cost on initial recognition. As the capitalised exploration and evaluation expenditure asset is not available for use, it is not depreciated.

The following expenditures are included in the initial and subsequent measurement of the exploration and evaluation assets:

- Acquisition of rights to explore;
- Topographical, geological, geochemical or geographical studies;
- Exploratory drilling;
- Trenching;
- Sampling;
- Activities in relation to the evaluation of both the technical feasibility and the commercial viability of extracting minerals;
- Exploration staff related costs; and
- Equipment and infrastructure.

Exploration and evaluation costs that have been capitalised are classified as either tangible or intangible according to the nature of the assets acquired and this classification is consistently applied.

If commercial reserves are developed, the related deferred exploration and evaluation costs are then reclassified as development and production assets within property, plant and equipment.

All capitalised exploration and evaluation expenditure is monitored for indications of impairment in accordance with IFRS 6.

**LEXINGTON GOLD LTD**

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

**2 MATERIAL ACCOUNTING POLICIES (CONTINUED)**

**(n) Asset acquisition**

Where an acquisition does not meet the definition of a business combination the transaction is accounted for as an asset acquisition. The consideration transferred for the acquisition of an asset comprises the fair value of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred also includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition related costs with regards to the acquisition are capitalised. Identifiable assets acquired and liabilities assumed in the acquisition are measured at their fair value.

**(o) Convertible debt**

The proceeds received on the issue of the Group's convertible debt which fail the fixed-for-fixed criterion under IFRS are allocated into their liability and derivative liability components. The derivative liability is measured at fair value with subsequent changes recognised in profit or loss. The debt component is accounted for as a financial liability measured at amortised cost until extinguished on conversion or maturity of the debt.

**(p) Warrant liabilities**

The Company accounts for warrants as either equity-classified or liability-classified instruments based on an assessment of the warrant's specific terms. The assessment considers whether the warrants have the characteristics of a derivative financial liability that is measured at fair value, with changes in value recorded in profit or loss or an equity instrument. The equity classification applies to instruments where a fixed amount of cash (or liability), denominated in the issuer's functional currency, is exchanged for a fixed number of shares (the "fixed-for-fixed" criteria).

For issued warrants that meet the criteria for equity classification, the warrants are recorded as a component of additional paid-in capital at the time of issuance. For issued warrants that do not meet all the criteria for equity classification, the warrants are recorded as a derivative liability at their initial fair value on the date of issuance, and each balance sheet date thereafter. Changes in the estimated fair value of the warrants are recognised as a non-cash gain or loss in profit or loss.

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

**3 SEGMENT REPORTING**

An operating segment is a component of the Group that engages in business activities from which it can earn revenues and incurs expenses, including revenue and expenses that relate to transactions with any of the Group's other components.

An operating segment's operating results are reviewed regularly by the Chief Operating Decision Maker ("CODM") which in the case of the Group is the Board of Directors. The CODM makes decisions about the resources to be allocated to the segment and assesses its performance, where discrete financial information is available.

Segment results that are reported to the Board of Directors include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly corporate assets (primarily the Group's headquarters), head office expenses, and income tax assets and liabilities. Segment capital expenditure is the total cost incurred during the period to acquire property, plant and equipment and intangible assets other than goodwill.

Management has determined the operating segments based on reports reviewed by the Board of Directors that are used to make strategic decisions.

Segment information is presented in respect of the Group's business segment. The primary format, business segments, is based on the Group's management and internal reporting structures.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly income-earning assets and revenue, interest-bearing loans, borrowings and expenses, and corporate assets and expenses.

Segment capital expenditure is the total cost incurred during the period to acquire segment assets that are expected to be used for more than one period.

**3.1 Business operating segments**

The Group has three reportable segments. The strategic business units offer different focus areas for the Group. The Group comprises the following reportable segments:

- Corporate;
- Exploration activities USA; and
- Exploration activities RSA.

The accounting policies of the reportable segments are the same as described in Note 2.

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit/loss before income tax, as included in the internal management reports that are reviewed by the Executive Committee. Segment profit/loss is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate in such sectors. Inter-segment pricing is determined on an arm's length basis.

	<b>Corporate 2025 US\$'000</b>	Corporate 2024 US\$'000	<b>Exploration USA 2025 US\$'000</b>	Exploration USA 2024 US\$'000	<b>Exploration RSA 2025 US\$'000</b>	Exploration RSA 2024 US\$'000	<b>Total 2025 US\$'000</b>	Total 2024 US\$'000
External revenues	-	-	-	-	-	-	-	-
Fair value gain/(loss)	<b>144</b>	243	-	-	-	-	<b>144</b>	243
Impairment	-	-	-	(792)	-	-	-	(792)
Reportable segment loss before income tax	<b>(802)</b>	(794)	<b>(47)</b>	(819)	<b>(101)</b>	(60)	<b>(950)</b>	(1,673)
Income tax (charge)/credit	-	-	-	-	<b>(25)</b>	-	<b>(25)</b>	-
Exploration expenditure	-	-	<b>(519)</b>	(513)	<b>(289)</b>	(373)	<b>(808)</b>	(886)
Reportable segment assets	<b>271</b>	855	<b>5,202</b>	4,685	<b>11,355</b>	10,901	<b>16,828</b>	16,441
Reportable segment liabilities	<b>525</b>	218	<b>8</b>	6	<b>98</b>	503	<b>631</b>	727

**LEXINGTON GOLD LTD**

**FINANCIAL STATEMENTS  
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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

<b>4 OPERATING EXPENSES</b>	<b><u>2025</u></b>	<b><u>2024</u></b>
	<b>US\$'000</b>	<b>US\$'000</b>
Auditors' remuneration	(69)	(35)
Directors' emoluments and fees	(226)	(221)
Net foreign exchange gain/(loss)	33	(26)
Office expenses	(50)	(47)
Professional and other services	(633)	(511)
Travel and accommodation	(3)	(19)
Penalties and interest	-	(22)
Other expenses	(2)	-
	<u>(950)</u>	<u>(881)</u>
Total operating expenses	<u>(950)</u>	<u>(881)</u>
<b>5 INCOME TAX EXPENSE</b>		
<b><i>Current tax charge</i></b>		
Current period	(25)	-
<b><i>Deferred tax credit</i></b>	-	-
Total income tax charge	<u>(25)</u>	<u>-</u>

The Group's assets are in the exploration phase and are accumulating unused tax losses available for offset against future profits. The deferred tax asset relating to these losses is not provided for due to the uncertainty over the timing of future trading profits.

<b>6 EXPLORATION AND EVALUATION ASSETS</b>	<b><u>2025</u></b>	<b><u>2024</u></b>
	<b>US\$'000</b>	<b>US\$'000</b>
<b>United States</b>		
Balance at beginning of year	4,681	4,960
Additions	519	513
Impairment	-	(792)
	<u>5,200</u>	<u>4,681</u>
<b>South Africa</b>		
Balance at beginning of year	10,786	10,530
Additions	289	373
Foreign currency	127	(117)
	<u>11,202</u>	<u>10,786</u>
Total at the end of year	<u>16,402</u>	<u>15,467</u>

**Exploration activities United States**

The amount relates to exploration and development activities in respect of the Group's 51% investment in three diverse gold projects, covering a combined area of over 1,326 acres in North and South Carolina, USA.

The projects are situated in the highly prospective Carolina Super Terrane ("CST"), which has seen significant historic gold production and is host to a number of multi-million-ounce mines operated by majors and was also the site of the first US gold rush in the early 1800s, before gold was discovered in California.

In order for the Company to retain its 51% membership interests in the four projects, it had to make certain Minimum Funding Contributions in respect of each of the projects in each of the four years and throughout the four-year period following its re-admission to AIM in November 2020, in an aggregate amount of AU\$5 million (the "Minimum Funding Contributions"). The Minimum Funding Contributions are further detailed in Note 23.

In the event that the Minimum Funding Contributions were not satisfied by the Company, Uwharrie Resources Inc., had the option to acquire the Company's 51% interest in the relevant project for a nominal sum of AU\$1.

**LEXINGTON GOLD LTD****FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2025****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)****6 EXPLORATION AND EVALUATION ASSETS (CONTINUED)**

Given the relative prospectivity of the Jennings-Pioneer, Carolina Belle and JKL Projects the Board decided to focus on these projects in preference to Project Argo and accordingly the Minimum Funding Contributions for Project Argo were not met and an impairment provision was made against the carrying value of Project Argo in the 2024 financial statements. Uwharrie Resources Inc. ("URI") provided an extension to 30 June 2025 to meet the Minimum Funding Contributions in relation to the Jennings Pioneer, Carolina Belle and JKL projects which were duly satisfied.

**Exploration activities South Africa**

The amount relates to the Group's exploration and development activities in respect of its six gold projects covering approximately 114,638 hectares in South Africa assessing the Witwatersrand basin's significant gold potential, acquired as part of the Company's acquisition of WRE in 2023.

Pursuant to the WRE acquisition agreement, Mr Creasy or his nominee(s), by way of certain additional deferred consideration, will be granted an option over 110 million new common shares in Lexington Gold upon the later of 12 months from the date of his assignment agreement (being 12 May 2023) and a value accretive milestone being achieved, namely the establishment of at least 1 million ounces of JORC/SAMREC-compliant gold resource in respect of any of WRE's existing projects excluding Jelani Resources. If granted, such options will be exercisable in full or in part for a period of 12 months following the date of the announcement of the milestone having been achieved at an exercise price of 7.5 pence per share. No provision has been made for the potential payment of the additional deferred consideration as WRE's projects are in the exploration phase and therefore it is not certain that 1 million ounces of JORC/SAMREC-compliant gold resource will be achieved, or at all.

Mr Creasy is entitled to a gross production royalty at a rate of 2.5 per cent. in respect of WRE's existing projects and such obligation will remain in place in respect of any future production from the existing project areas.

The directors have assessed the value of the total exploration and evaluation assets having considered any indicators of impairment, and, in their opinion, based on a review of future expected availability of funds to develop the projects concerned and the intention to continue exploration and evaluation, no further impairment is necessary.

**7 OTHER RECEIVABLES**

	<u>2025</u> US\$'000	<u>2024</u> US\$'000
Prepayments	65	64
VAT recoverable	33	-
	<u>98</u>	<u>64</u>

All of the Group's other receivables have been reviewed for indicators of impairment. None of the receivables were found to be impaired.

Other receivables consist of balances receivable in the following currencies:

United States Dollars	65	63
South African Rand	33	1
	<u>98</u>	<u>64</u>

Translated into United States Dollars at foreign exchange rates applicable at the reporting date. The Group's exposure to credit risk is disclosed in Note 21.1.

**8 RESTRICTED CASH AND CASH EQUIVALENTS**

	<u>2025</u> US\$'000	<u>2024</u> US\$'000
Short-term deposits	48	55
	<u>48</u>	<u>55</u>

Short-term deposits are denominated in South African Rand and have been pledged as collateral for the financial assurance lodged with the Department of Mineral Resources and Energy in South Africa.

**LEXINGTON GOLD LTD**

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

**9 CASH AND CASH EQUIVALENTS**

	<u>2025</u> US\$'000	<u>2024</u> US\$'000
Cash at bank and on hand	<u>280</u>	<u>855</u>
	<u>280</u>	<u>855</u>

Cash and cash equivalents consist of balances denominated in the following currencies:

United States Dollars	75	133
Australian Dollars*	2	1
British Pounds*	132	661
South African Rand*	<u>71</u>	<u>60</u>

280      855

\* Translated into United States Dollars at foreign exchange rates applicable at the reporting date. The Group's exposure to interest rate risk and sensitivity analysis for financial instruments is disclosed in Note 21.

**10 SHARE CAPITAL**

	<u>2025</u> US\$'000	<u>2024</u> US\$'000
<b>Common share capital</b>		
<b>Authorised</b>		
3,000,000,000 Common Shares of US\$0.003 each	<u>9,000</u>	<u>9,000</u>
<b>Issued</b>		
435,203,010 (2024: 398,969,609) Common Shares of US\$0.003 each	<u>1,306</u>	<u>1,197</u>
<b>Common share capital</b>		
Balance at the beginning of the year	1,197	1,120
Share placement and subscription	47	-
Consideration shares	<u>62</u>	<u>77</u>
Balance at the end of the year	<u>1,306</u>	<u>1,197</u>

Each fully paid common share carries the right to one vote at a meeting of the Company. Holders of common shares also have the right to receive dividends and to participate in the proceeds from sale of all surplus assets in proportion to the total shares issued in the event of the Company winding up.

**Reconciliation of number of Common Shares in issue**

	Number of shares <u>2025</u>	Number of shares <u>2024</u>
Common Shares in issue at beginning of the year	398,969,609	373,163,158
Share placement	15,588,240	-
Consideration shares	<u>20,645,161<sup>(1)</sup></u>	<u>25,806,451<sup>(2)</sup></u>
Common Shares in issue at end of the year	<u>435,203,010</u>	<u>398,969,609</u>

In addition, there are 727,499 common shares held within treasury which are non-voting and are excluded from the calculation of any percentage or fraction of the share capital, or shares, of the Company.

Notes:

- (1) As announced on 20 May 2025, receipt of the Section 11 Ministerial Consent from the South African Department of Mineral Resources and Energy in connection with the acquisition of WRE triggered the issue of these shares.
- (2) As announced on 13 May 2024, following the renewal of the Jelani Resources Prospecting Right, these deferred consideration shares in respect of the WRE acquisition were issued.

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

<b>11</b>	<b>SHARE PREMIUM</b>	<u><b>2025</b></u>	<u><b>2024</b></u>
		<b>US\$'000</b>	<b>US\$'000</b>
	Balance at beginning of the year	<b>67,293</b>	65,425
	Share placement	<b>658</b>	-
	Share issue costs	<b>(24)</b>	-
	Consideration shares	<b>1,495</b>	1,868
		<hr/> <b>69,422</b> <hr/>	<hr/> 67,293 <hr/>
<b>12</b>	<b>SHARES TO BE ISSUED</b>		
	Balance at beginning of the year	<b>3,113</b>	5,058
	Transferred to share capital and share premium upon achievement of milestones	<b>(1,557)</b>	(1,945)
		<hr/> <b>1,556</b> <hr/>	<hr/> 3,113 <hr/>

Pursuant to the acquisition of WRE, as announced on 7 September 2023, the contingent issuable new common shares, fell due and will fall due to be issued at a price of 6.20 pence per new common share upon the achievement of the following milestones:

<b>Lexington Gold Equity</b>		
<u>%</u>	<u>No. of common shares</u>	<u>Milestone event</u>
45%	46,451,613 <sup>1</sup>	Later of 30 November 2023 and the date of renewal of four of the Prospecting Rights split, 25%, 10%, 8% and 2% respectively between the four Prospecting Rights concerned.
20%	20,645,161 <sup>2</sup>	Receipt of Ministerial Consent.

Notes:

1. 25,806,451 of these shares (25%) were issued on 13 May 2024 pursuant to the renewal of the Jelani Resources Prospecting Right.
2. These shares were issued on 20 May 2025 following Ministerial Consent being granted.

The fair value of the contingent consideration has been based on the acquisition date share price (6.20 pence per share converted at the historical rate of GBP0.8225 to the US Dollar).

<b>13</b>	<b>SHARE OPTION RESERVE</b>	<u><b>2025</b></u>	<u><b>2024</b></u>
		<b>US\$'000</b>	<b>US\$'000</b>
	Balance at beginning and end of the year	<b>651</b>	651
		<hr/> <b>651</b> <hr/>	<hr/> 651 <hr/>

**Share-based payments**

The terms and conditions of the share option plan are as follows:

<b>Grant date</b>	<b>Number of share options</b>	<b>Vesting conditions</b>	<b>Contractual life</b>
4 December 2020	19,610,910	1/3 immediately, 1/3 in one year, 1/3 in two years	10 years from vesting date
	<hr/> <b>19,610,910</b> <hr/>		

**LEXINGTON GOLD LTD**

**FINANCIAL STATEMENTS  
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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

**13 SHARE OPTION RESERVE (CONTINUED)**

The number and weighted average exercise prices of share options are as follows:

	<u>2025</u>		<u>2024</u>	
	Weighted average exercise price (UK pence/ share)	Number of options	Weighted average exercise price (UK pence/ share)	Number of options
Exercisable at the beginning and end of the year*	2.75	<u>19,610,910</u>	2.75	<u>19,610,910</u>
* No options have been exercised during the year.				

**14 FOREIGN CURRENCY TRANSLATION RESERVE**

	<u>2025</u> US\$'000	<u>2024</u> US\$'000
Balance at beginning of the year	(99)	(98)
Translation of foreign operations in the year	<u>406</u>	<u>(1)</u>
Balance at end of the year	<u>307</u>	<u>(99)</u>

The foreign currency translation reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations.

**15 NON-CONTROLLING INTEREST**

	<u>2025</u> US\$'000	<u>2024</u> US\$'000
Balance at beginning of year	1,750	2,633
Loss allocated	<u>(67)</u>	<u>(883)</u>
Balance at end of year	<u>1,683</u>	<u>1,750</u>

Project Carolina Belle, LLC, Project Jennings-Pioneer, LLC, Project Argo, LLC and Project JKL, LLC are 51% owned. White Rivers Exploration (Pty) Ltd and Western Allen Ridge Gold Mines (Pty) Ltd are 74% owned and Jelani Resources (Pty) Ltd is 65% (together, the "White Rivers Exploration Group") owned by the Group. Refer to Note 24 for the principal places of business. All have material non-controlling interests (NCI). No dividends were paid by these entities.

Summarised financial information in relation to Project Carolina Belle, LLC, Project Jennings-Pioneer, LLC, Project Argo, LLC, Project JKL, LLC and the White Rivers Exploration Group before intra-group eliminations, is presented below together with amounts attributable to NCI:

<b>Project Carolina Belle, LLC As at 31 December</b>	<u>2025</u> US\$'000	<u>2024</u> US\$'000
<i>Assets:</i>		
Exploration and evaluation assets	1,796	1,720
<i>Liabilities:</i>		
Inter-company loans	(1,275)	(1,175)
Accumulated non-controlling interests	(238)	(240)
Operating expenses for the year	(5)	(5)

LEXINGTON GOLD LTD

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

15 NON-CONTROLLING INTEREST (CONTINUED)

<b>Project Jennings-Pioneer, LLC</b>	<b>2025</b>	<b>2024</b>
<b>As at 31 December</b>	<b>US\$'000</b>	<b>US\$'000</b>
<i>Assets:</i>		
Exploration and evaluation assets	1,405	1,116
<i>Liabilities:</i>		
Inter-company loans	(883)	(571)
Accumulated non-controlling interests	(238)	(240)
Operating expenses for the year	(5)	(5)
<b>Project Argo, LLC</b>	<b>2025</b>	<b>2024</b>
<b>As at 31 December</b>	<b>US\$'000</b>	<b>US\$'000</b>
<i>Assets:</i>		
Exploration and evaluation assets	-	-
<i>Liabilities:</i>		
Inter-company loans	(291)	(246)
Accumulated non-controlling interests	167	148
Operating expenses for the year	(39)	(5)
Impairment	-	(792)
Loss allocated to NCI	19	(399)
Other comprehensive loss allocated to NCI	-	-
Total comprehensive loss allocated to NCI	<u>19</u>	<u>(399)</u>
<b>Project JKL, LLC</b>	<b>2025</b>	<b>2024</b>
<b>As at 31 December</b>	<b>US\$'000</b>	<b>US\$'000</b>
<i>Assets:</i>		
Exploration and evaluation assets	1,999	1,845
<i>Liabilities:</i>		
Inter-company loans	(1,477)	(1,299)
Accumulated non-controlling interests	(237)	(240)
Operating expenses for the year	(5)	(5)
<b>White Rivers Exploration (Pty) Ltd Group</b>	<b>2025</b>	<b>2024</b>
<b>For the period ended 31 December</b>	<b>US\$'000</b>	<b>US\$'000</b>
Operating expenses	<u>185</u>	<u>(102)</u>
<b>Operating loss</b>	<b>185</b>	<b>(102)</b>
Finance cost	(1,603)	(1,649)
<b>Loss before taxation</b>	<b>(1,418)</b>	<b>(1,751)</b>
Income tax charge	(25)	-
<b>Loss for the year</b>	<u>(1,443)</u>	<u>(1,751)</u>
Loss allocated to NCI	266	462
Other comprehensive loss allocated to NCI	(225)	22
Total comprehensive loss allocated to NCI	<u>41</u>	<u>484</u>

LEXINGTON GOLD LTD

FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2025

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

15 NON-CONTROLLING INTEREST (CONTINUED)

<b>As at 31 December</b>	<b>2025</b> <b>US\$'000</b>	<b>2024</b> <b>US\$'000</b>
<i>Assets:</i>		
Exploration and evaluation assets	11,202	10,786
Restricted cash and cash equivalents	48	55
Cash and cash equivalents	11	50
<i>Liabilities:</i>		
Trade and other payables	(66)	(501)
Loans and other borrowings	(16,279)	(11,110)
Accumulated non-controlling interests	(1,138)	(1,179)

16 EARNINGS PER SHARE

**Basic and diluted (loss)/profit per share**

The calculation of basic and diluted loss per share at 31 December 2025 was based on the loss attributable to common shareholders of US\$537,000 (2024: US\$567,000) and a weighted average number of common shares outstanding during the year ended 31 December 2025 of 422,714,615 (2024: 389,566,163) calculated as follows:

	<b>2025</b> <b>US\$'000</b>	<b>2024</b> <b>US\$'000</b>
Loss attributable to common shareholders	<u>(537)</u>	<u>(567)</u>
	<b>Number of</b> <b>shares</b>	<b>Number of</b> <b>shares</b>
	<b>2025</b>	<b>2024</b>
<b>Weighted average number of common shares</b>		
Weighted average number of common shares used in basic and diluted loss per share	<u>422,714,615</u>	<u>389,566,163</u>
Basic and diluted loss per common share (US cents/share)	(0.13)	(0.15)

The diluted loss per share and the basic loss per share are recorded as the same amount, as conversion of share options decreases the basic loss per share, thus being anti-dilutive.

17 TRADE AND OTHER PAYABLES

	<b>2025</b> <b>US\$'000</b>	<b>2024</b> <b>US\$'000</b>
Trade and other payables	<u>119</u>	<u>578</u>
<b>Total trade and other payables</b>	<u>119</u>	<u>578</u>
Trade and other payables consist of balances payable in the following currencies:		
United States Dollars	48	40
Australian Dollars	-	15
British Pounds	-	19
South African Rand	<u>71</u>	<u>504</u>
	<u>119</u>	<u>578</u>

**LEXINGTON GOLD LTD**

**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2025**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

<b>18</b>	<b>BORROWINGS</b>	<u><b>2025</b></u>	<u><b>2024</b></u>
		<b>US\$'000</b>	<b>US\$'000</b>
	<b>Interest bearing borrowings</b>		
	Balance at the beginning of the year	-	-
	Proceeds from borrowings	<b>458</b>	-
	Interest accrued	<b>7</b>	-
	Foreign exchange	<b>14</b>	-
		<hr/>	<hr/>
	Balance at the end of the year	<u><b>479</b></u>	<u>-</u>

As announced on 5 November 2025, the Company issued £350,000 unsecured convertible loan notes (the “**Convertible Loans**”) to longstanding substantial shareholder Pure Ice Ltd (as to £201,746), and three of the Company’s directors, namely Edward Nealon (as to £50,000), Melissa Sturgess (via Hartford Corporate Limited a company controlled by Melissa Sturgess) (as to £20,000) and Mark Greenwood (as to £78,254) (together, the “**Lenders**”).

The Convertible Loans are unsecured, have a 12-month term from their date of drawdown, and bear interest at a rate of 9 per cent. per annum and are convertible, together with accrued interest thereon, at the point of any ‘Qualifying Financing’, being any issue of new common shares for cash, during the term of the Convertible Loans, and will convert at the price and on the same terms as the relevant ‘Qualifying Financing’.

The Convertible Loans are denominated in GBP and are convertible into GBP denominated equity, while the Group’s functional currency is USD. As such, the conversion feature does not meet the fixed for fixed criterion and has been assessed as a potential embedded derivative.

Conversion is contingent on the completion of a Qualifying Financing and is not at the discretion of the noteholder. Furthermore, where conversion occurs, the Convertible Loans convert into shares at the same price per share as the Qualifying Financing, with no discount or other preferential terms.

As a result, the conversion feature does not convey any economic benefit to the holder and has no intrinsic or time value. Accordingly, management has concluded that while the instrument includes a conversion feature with foreign currency exposure, the fair value of any embedded derivative is nil and no separate derivative asset or liability is recognised.

<b>19</b>	<b>DERIVATIVE LIABILITY</b>	<u><b>2025</b></u>	<u><b>2024</b></u>
		<b>US\$'000</b>	<b>US\$'000</b>
	<b>Derivative liability from warrants</b>		
	Balance at the beginning of the year	<b>149</b>	392
	Change in fair value of warrants	<b>(144)</b>	(243)
		<hr/>	<hr/>
	Balance at the end of the year	<u><b>5</b></u>	<u>149</u>

During 2023, 50,663,639 warrants were issued to fundraising participants, Edward Nealon and Mark Creasy, allowing such parties to subscribe for new Common Shares at an exercise price of 10 pence per share on a one-to-one basis for an exercise period to 20 July 2026. The warrants are accounted for as liabilities as the Company concluded that the warrants failed to meet the fixed-for-fixed criteria as the exercise price is priced in pence per share and the Company’s functional currency is United States dollars.

The fair value of the warrants was estimated using the Black-Scholes-pricing model. The application of the Black-Scholes option-pricing model requires the use of a number of inputs and significant assumptions including volatility. The following reflects the inputs and assumptions:

	<b>31</b>	<b>31</b>
	<b>December</b>	<b>December</b>
	<b>2025</b>	<b>2024</b>
Share price	3.78 pence	3.75 pence
Exercise price	10 pence	10 pence
Risk-free interest rate	4.38 %	3.75 %
Expected terms (in years)	0.55 years	1.55 years
Expected dividend yield	0 %	0 %
Expected volatility	54 %	56.6 %

**LEXINGTON GOLD LTD**

**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2025**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

<b>20</b>	<b>NOTES TO THE STATEMENT OF CASH FLOWS</b>	<u><b>2025</b></u> <b>US\$'000</b>	<u><b>2024</b></u> <b>US\$'000</b>
	<b>20.1 Cash utilised by operations</b>		
	Loss before income tax	<b>(804)</b>	(1,428)
	Adjusted for:		
	▪ Net finance (income)/cost	<b>(2)</b>	(2)
	▪ Fair value adjustment of derivative liability	<b>(144)</b>	(243)
	▪ Impairment	-	792
	▪ Net foreign exchange difference	<b>(33)</b>	26
	Cash from operations before working capital changes	<b>(983)</b>	(855)
	Working capital changes:		
	Trade and other receivables	<b>(34)</b>	15
	Trade and other payables	<b>(15)</b>	(97)
	Cash utilised by operations before interest and tax	<b>(1,032)</b>	(937)
	<b>20.2 Proceeds from issue of shares</b>		
	Share capital and premium at end of year (Notes 10 & 11)	<b>70,728</b>	68,490
	Consideration shares*	<b>(1,557)</b>	(1,945)
	Offer expired on Scheme Consideration Shares*	-	1
	Share capital and premium at beginning of year	<b>(68,490)</b>	(66,546)
	Proceeds from issue of shares net of transaction costs	<b>681</b>	-
	Share issue cost shown separately	<b>24</b>	-
		<b>705</b>	-

\* Non-cash financing and investing activities

**21 FINANCIAL RISK MANAGEMENT**

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

**21.1 Credit risk**

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from cash and cash equivalents and bank deposits. Those balances reflect the maximum exposure to credit risk.

The Company only deposits cash with major banks with high quality credit standing and limits exposure to any one counter party.

**21.2 Liquidity risk**

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due.

The Group manages liquidity risk through an ongoing review of future commitments and credit facilities. Cash flow forecasts are prepared and adequate utilised borrowing facilities are monitored on a monthly basis. At present, no liquidity risk is foreseen.

The table below analyses the Group's non-derivative financial liabilities into relevant maturity groupings based on the remaining period at the end of the reporting period to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

**LEXINGTON GOLD LTD**

**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2025**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

**21 FINANCIAL RISK MANAGEMENT (CONTINUED)**

**Financial liabilities**

Financial liabilities are payable as follows:

	<b>Trade and other payables US\$'000</b>
<b>31 December 2025</b>	
Less than one year	626
One to five years	-
	<hr/>
<b>31 December 2024</b>	
Less than one year	578
One to five years	-
	<hr/>

**21.3 Market risk**

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Group's income or the value of its holdings of financial instruments.

**Interest rate risk**

The Group is not exposed to significant interest rate risks as any interest bearing borrowings are mainly of a short-term nature.

**Foreign currency risk**

The Group does not hedge foreign exchange fluctuations and therefore is exposed to all foreign currency movements.

In the normal course of business, the Group enters into transactions primarily denominated in US\$. However, the Group has investments and liabilities in a number of different currencies. As a result, the Group is subject to translation exposure from fluctuations in foreign currency exchange rates. The Company's strategy towards managing its foreign currency exposure is through transacting using its functional currency.

**Sensitivity analysis**

A 10 per cent. strengthening of the United States Dollar against the following currencies at 31 December would have increased/(decreased) profit or loss by the amounts shown below. The analysis assumes that all other variables, in particular interest rates, remain constant. The analysis is performed on the same basis as at 31 December 2024.

	<b>2025 US\$'000</b>	<b>2024 US\$'000</b>
<b>Profit or loss</b>		
Australian Dollars	-	1
British Pounds	(35)	(64)
South African Rand	5	39
	<hr/>	<hr/>

A 10 per cent. weakening of the United States Dollar against the above currencies at 31 December would have had the equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remain constant.

**21.4 Price risk**

The Group's exposure to price risk on its financial assets is considered negligible as the Group does not hold any investments in either equity or debt securities.

# LEXINGTON GOLD LTD

## FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

#### 21 FINANCIAL RISK MANAGEMENT (CONTINUED)

##### 21.5 Capital management

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board of Directors monitors the return on capital, which the Group defines as net operating income divided by total shareholders' equity, excluding non-controlling interests. The Board of Directors also monitors the level of dividends to ordinary shareholders.

The Group's target is to achieve a return on capital of between 12 and 16 per cent. The Group achieved a negative return on capital of 7% in 2025 (2024: 6%). There were no changes in the Group's approach to capital management during the year.

Neither the Company nor any of its subsidiaries are subject to externally imposed capital requirements.

#### 22 FINANCIAL INSTRUMENTS

##### Fair value of financial instruments

The fair value of a financial instrument is defined as the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The fair values have been determined for measurement and/or disclosure purposes based on the following methods. Where applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that particular asset or liability.

##### Trade payables and Trade and Other receivables

The fair value of trade and other receivables is estimated as the present value of future cash flows, discounted at the market rate of interest at the reporting date. For receivables/payables with a remaining useful life of less than one year, the carrying amount is deemed to reflect fair value.

##### Non-derivative financial liabilities

Fair value, which is determined for disclosure purposes, is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the reporting date.

##### Financial instruments by category

The fair value of financial instruments together with the carrying amounts shown in the statement of financial position are as follows:

	Note	Carrying amount US\$'000	Fair value US\$'000
<b>31 December 2025</b>			
Trade and other receivables (excluding prepayments and VAT)	7	-	-
Restricted cash and cash equivalents	8	48	48
Cash and cash equivalents	9	280	280
<b>Financial assets measured at amortised cost</b>		<b>328</b>	<b>328</b>
Trade and other payables	17	119	119
Borrowings	18	479	479
Derivative liability	19	5	5
<b>Financial liabilities measured at amortised cost</b>		<b>603</b>	<b>603</b>

LEXINGTON GOLD LTD

FINANCIAL STATEMENTS  
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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

22 FINANCIAL INSTRUMENTS (CONTINUED)

	Note	Carrying amount US\$'000	Fair value US\$'000
<b>31 December 2024</b>			
Trade and other receivables (excluding prepayments and VAT)	7	-	-
Restricted cash and cash equivalents	8	55	55
Cash and cash equivalents	9	855	855
		<u>910</u>	<u>910</u>
<b>Financial assets measured at amortised cost</b>			
Trade and other payables	17	578	578
Derivative liability	19	149	149
		<u>727</u>	<u>727</u>
<b>Financial liabilities measured at amortised cost</b>			

The carrying amount of trade and other payables approximates their fair value.

*Fair value hierarchy*

The level in the fair value hierarchy within which the financial asset or financial liability is categorised is based on the lowest level input that is significant to the fair value measurement.

Financial assets and financial liabilities are classified in their entirety into only one of the three levels. The fair value hierarchy has the following levels:

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

(in US\$'000)

	Level 1	Level 2	Level 3
<b>31 December 2025</b>			
<b>Financial liabilities</b>			
Derivative liability	-	-	<u>5</u>
<b>31 December 2024</b>			
<b>Financial liabilities</b>			
Derivative liability	-	-	<u>149</u>

There were no transfers between levels for recurring fair value measurements during the year.

*Reconciliation: Level 3 recurring fair value measurements*

	2025 US\$'000	2024 US\$'000
<b>Derivative liability</b>		
Opening balance	149	392
Fair value adjustment recognised in profit or loss	(144)	(243)
	<u>5</u>	<u>149</u>

*Sensitivity - Derivative liability*

A reasonably possible change in the volatility rate of +/- 2% would result in:

- An increase in the carrying value of US\$1,619 (+2%)
- A decrease in the carrying value of US\$1,318 (-2%).

**LEXINGTON GOLD LTD**

**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2025**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

**23 COMMITMENTS AND CONTINGENCIES**

**United States**

Lexington Gold was potentially required to pay conditional deferred consideration, of, in aggregate, AU\$1.5m (being the Tranche 1 Deferred Consideration if the Tranche 1 Performance Milestone was met) and the sum of, in aggregate, AU\$3.0m (being the Tranche 2 Deferred Consideration if the Tranche 2 Performance Milestone was met) to the Sellers and URI, in cash or Common Shares at the Company's sole discretion, subject to the achievement by the Group of the Tranche 1 Performance Milestone and Tranche 2 Performance Milestone or the occurrence of certain Vesting Events within five years of completion of the Company's acquisition of Global Asset Resources Ltd ("GAR") (being the end of November 2025). No provision has been made in these accounts for the payment of the deferred consideration as the Tranche 1 Performance Milestone and Tranche 2 Performance Milestone events were not achieved by the end of November 2025 and the conditional deferred consideration is therefore not payable.

The Joint Venture Implementation Deed between GAR, URI and Carolina Gold Resources Inc. also set out certain Minimum Funding Contributions in respect of each of the GAR Projects to be provided by the Company in each of the four years and throughout the four year period following Admission in order to retain its 51 per cent. interest in the Projects which are summarised below. In the event that the Minimum Funding Contributions were not satisfied by Lexington Gold (on both an annual and overall basis), URI had the option to acquire the Company's 51 per cent. membership interest (via GAR Holdings) in the relevant Project SPV for a nominal sum of AU\$1. Annual commitments have been met to date, save for Project Argo. The Company similarly had the option to sell its 51 per cent. membership interest in any of the GAR Projects to URI at any time during the four-year period following Admission for AU\$1 should the Board determine that the Company no longer wished to proceed with one or more of the GAR Projects.

**Minimum Funding Contributions for the Company to retain its 51 per cent. membership interests in its US Projects**

Project	AU\$				
	Minimum Total	Minimum Nov-21	Minimum Nov-22	Minimum Nov-23	Minimum Nov-24*
JKL	1,500,000	250,000	150,000	150,000	150,000
Carolina Belle	1,500,000	250,000	100,000	100,000	100,000
Jennings-Pioneer	1,000,000	100,000	100,000	100,000	100,000
Argo	1,000,000	100,000	100,000	100,000	100,000
	<u>5,000,000</u>	<u>700,000</u>	<u>450,000</u>	<u>450,000</u>	<u>450,000</u>

\* - period subsequently extended to 30 June 2025 with the consent of URI.

At the end of the initial four year period following Admission (which Uwharrie Resources Inc. agreed to extend to 30 June 2025) and satisfaction of the Minimum Funding Contributions for a Project, if URI elects not to fund its proportionate share of future costs or fails to make an election then, in accordance with the terms of the Joint Venture Implementation Deed, the Company will potentially be able to increase its interest in each of the Project SPVs to 80 per cent. by meeting certain further funding commitments in years 5 and 6 (on both an annual and overall basis) following Admission (the "Extended Period").

**Extended Period funding contributions from the Company to acquire an additional 29 per cent. membership interest and increase its total interest to 80 per cent. in its US Projects**

Project	Minimum Total	Minimum Nov-25	Minimum Nov-26
	JKL	2,500,000	150,000
Carolina Belle	2,500,000	100,000	100,000
Jennings-Pioneer	1,500,000	100,000	100,000
	<u>6,500,000</u>	<u>350,000</u>	<u>350,000</u>

If the Company does not meet the Extended Period funding contributions in relation to a particular Project, it will retain its 51 per cent. initial interest in such Project SPV.

In the event that the Company increases its interest in any of the Project SPVs to 80 per cent. and URI elects not to fund its proportionate share of future costs in respect of its then 20 per cent. residual interest in the GAR Project concerned or fails to make an election, the Company is able to increase its interest in the relevant Project to 100 per cent. by agreeing to pay for the relevant Project a Net Smelter Royalty to URI of 0.5 per cent. for future production up to 50,000 oz gold equivalent, 2.0 per cent. for future production from 50,000 to 400,000 oz gold equivalent and 1.0 per cent. for future production in excess of 400,000 oz gold equivalent.

## LEXINGTON GOLD LTD

### FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

#### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

#### 23 COMMITMENTS AND CONTINGENCIES (CONTINUED)

##### South Africa

In March 2025, Pol Sun Limited (“**Pol Sun**”), a former minority shareholder holding less than 5% of the issued share capital in WRE, initiated legal proceedings in the High Court of South Africa.

The application seeks declaratory relief challenging the validity of the business rescue proceedings in respect of WRE and the subsequent cancellation of Pol Sun’s equity interest as part of the adopted business rescue plan. The business rescue process was conducted by independent business rescue practitioners from BDO Business Restructuring (Pty) Ltd, in accordance with the provisions of the South African Companies Act, 2008.

The business rescue plan was voted on and duly adopted by 100% of WRE’s creditors and a majority of shareholders and was implemented during 2023. Pol Sun was not a creditor of WRE and did not participate in the creditor approval process. All creditor claims were settled in full as part of the approved business rescue plan.

Pol Sun’s application appears to seek the reinstatement of its former equity interest, which was cancelled as part of the adopted rescue plan.

Based on legal advice received, the Company understands that the application is unlikely to succeed. The advice notes that the cancellation of Pol Sun’s shareholding was lawfully effected under the statutory powers available to the business rescue practitioners. Accordingly, the Company has been advised that it has strong grounds to defend the application.

Given the remote likelihood of the case being successful against the Company, no provision has been recognised in these financial statements.

There are no other contingencies for the year ended 31 December 2025 (2024: Nil).

#### 24 RELATED PARTIES

##### *Identity of related parties*

The Group has a related party relationship with key management personnel.

##### *Related party transactions*

Current directors of the holding company and their close family members as at the end of the year controlled 11.5% (2024: 4.41%) of the voting shares of Lexington Gold.

	<u>2025</u> US\$'000	<u>2024</u> US\$'000
<b>Short-term benefits</b>		
<b>Directors’ emoluments for the year</b>		
<b>Services as directors of the Company</b>		
<b>Directors’ fees</b>		
Salary	<u>95</u>	<u>90</u>
<b>Executive fees</b>		
Salary	<u>131</u>	<u>131</u>
Share options	<u>-</u>	<u>-</u>
<b>Loan from directors</b>		

As announced on 5 November 2025, the Company issued £350,000 unsecured convertible loan notes (the “**Convertible Loans**”) to longstanding substantial shareholder Pure Ice Ltd (as to £201,746), and three of the Company’s directors, namely Edward Nealon (as to £50,000), Melissa Sturgess (via Hartford Corporate Limited a company controlled by Melissa Sturgess) (as to £20,000) and Mark Greenwood (as to £78,254) (together, the “**Lenders**”) (refer to Note 18).

**LEXINGTON GOLD LTD**

**FINANCIAL STATEMENTS  
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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

**24 RELATED PARTIES (CONTINUED)**

**Share options**

On 4 December 2020, the Company granted, in aggregate, 19,610,910 options over new common shares to its directors and senior managers exercisable at a price of 2.75 pence per share (the "Options") (refer to Note 13).

The Options vested in three equal tranches being: (i) one third on their date of issue; (ii) one third on 25 November 2021; and (iii) one third on 25 November 2022, and are exercisable for a period of 10 years from their date of grant. Details of the Options granted to directors are set out in the table below:

<b>Director</b>	<b>Number of Options granted and resultant holding of Options</b>
Edward Nealon	2,614,788
Bernard Olivier	4,140,081
Melissa Sturgess	2,614,788
Rhoderick Grivas	2,614,788
<b>Total:</b>	<u>11,984,445</u>

**Remuneration of key management personnel**

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of the Group.

The remuneration of key management personnel recognised in profit or loss including salaries and other current employee benefits amounted to US\$226,125 (2024: US\$220,500). No terminal or other long-term benefits were paid to key management personnel during the year (2024: Nil).

**Group entities**

<b>Significant subsidiaries</b>	<b>Country of incorporation</b>	<b>Products/Services</b>	<b>Net amounts owing (by)/to subsidiaries</b>		<b>Functional currency</b>	<b>Share-holding 2025</b>	<b>Share-holding 2024</b>
			<b>2025 US\$'000</b>	<b>2024 US\$'000</b>			
Global Asset Resources Pty Ltd	Australia	Holding company	<b>(99)</b>	(99)	AUD	100%	100%
Global Asset Resources Holdings, Inc	United States	Exploration company	<b>(4)</b>	(4)	US\$	100%	100%
Project Carolina Belle, LLC	United States	Exploration company	<b>(1,275)</b>	(1,180)	US\$	51%	51%
Project Jennings-Pioneer, LLC	United States	Exploration company	<b>(883)</b>	(576)	US\$	51%	51%
Project Argo, LLC	United States	Exploration company	<b>(291)</b>	(252)	US\$	51%	51%
Project JKL, LLC	United States	Exploration company	<b>(1,477)</b>	(1,305)	US\$	51%	51%
Lexington Gold SA Limited	Hong Kong	Holding company	<b>46</b>	26	US\$	100%	100%
Lexington Gold South Africa (Pty) Ltd	South Africa	Holding company	<b>76</b>	28	ZAR	100%	100%
White Rivers Exploration (Pty) Ltd	South Africa	Exploration company	<b>(14,674)</b>	(9,868)	ZAR	74%	74%
Reef Exploration (Pty) Ltd	South Africa	Exploration company	<b>(106)</b>	(56)	ZAR	74%	74%
Western Allen Ridge Gold Mines (Pty) Ltd	South Africa	Exploration company	<b>(48)</b>	(22)	ZAR	74%	74%
Jelani Resources (Pty) Ltd	South Africa	Exploration company	<b>(1,452)</b>	(1,164)	ZAR	48%*	48%*

\* - Indirectly held via White Rivers Exploration (Pty) Ltd's 65% shareholding in Jelani Resources (Pty) Ltd.

## LEXINGTON GOLD LTD

### FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

#### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

##### 24 RELATED PARTIES (CONTINUED)

The assessment of control over a subsidiary requires significant judgement and consideration of various factors. Control is achieved when the Group is exposed to, or has rights to, variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

All transfers of funds between South African entities and non-South African entities are subject to South Africa's exchange control rules and regulations.

##### 25 SUBSEQUENT EVENTS

As announced on 13 January 2026, the Company raised, in aggregate, gross proceeds of £1,190,000 (the "**Fundraising**") at a price of 4 pence (the "**Fundraising Price**") per new common share of US\$0.003 each in the capital of the Company ("**Common Shares**") from the issue of, in aggregate, 29,750,000 new Common Shares (the "**Fundraising Shares**"). The Fundraising comprised a placing of 19,375,000 new Common Shares (the "**Placing Shares**") to raise £775,000 at the Fundraising Price (the "**Placing**"), via the Company's joint broker, Marex Financial, and direct subscriptions for, in aggregate, 10,375,000 shares at the Fundraising Price to raise £415,000 (the "**Subscription**"). Existing major shareholder Orasa (a.k.a. Doris) Chiaratanasen, invested £125,000 for 3,125,000 Fundraising Shares in the Subscription representing approximately 10.5 per cent. of the total Fundraising amount.

The Company also issued warrants to the Fundraising participants to subscribe for up to a further 29,750,000 new Common Shares which are exercisable at a price of 6 pence per share (representing an approximate 50% premium to the Fundraising Price) for an exercise period of three years from Admission (the "**Fundraising Warrants**").

The Company also agreed to settle, in aggregate, £356,322 of outstanding Convertible Loans including accrued interest thereon on the same terms as the Fundraising by way of the issue of 8,908,061 new Common Shares and 8,908,061 warrants with the same terms as the Fundraising Warrants (the "**Loan Conversion**").

On 13 January 2026, the Company also announced the receipt of updated independent JORC (2012) Mineral Resource Estimates for the Jones Keystone and Loflin deposits on the JKL Project, prepared by Pivot Mining Consultants (Pty) Ltd ("**Pivot**").

Post the year end following a successful application by White Rivers Exploration ("**WRE**") on 14 March 2026 the High Court of South Africa ruled the proceedings in relation to the Pol Sun Claim (as described in Note 23) are stayed until Pol Sun have provided security for costs of ZAR850,000 (approximately US\$50,000) and to pay WRE's costs in relation to the application. Pol Sun's application appears to seek reinstatement of its former equity interest, which was cancelled as part of the adopted business rescue plan. Based on legal advice received, the Company understands that the application is unlikely to succeed and that it has strong grounds to defend the application. Given the remote likelihood of the case being successful against the Company, no provision has been recognised in these financial statements.

As announced on 1 June 2026, Jelani Resources (Pty) Ltd ("**Jelani**") received formal notification from the Department of Mineral and Petroleum Resources that its Mining Right application in respect of the Jelani JV Project had been accepted for processing. The application was lodged on 21 April 2026 under Section 22 of the Mineral and Petroleum Resources Development Act, 2002, prior to the scheduled expiry of Jelani's Prospecting Right on 29 May 2026, and was formally accepted on 7 May 2026, with notification received on 18 May 2026. The formal acceptance confirms that the application is validly before the DMPR for processing and enables the project to proceed to the next phase of the statutory review and environmental authorisation processes.

The application includes the proposed mine-works programme, environmental application form, social and labour plan and other supporting regulatory documentation. The Mining Right application does not cover the Buffer Zone, which is covered by Harmony Gold Mining Company Limited (parent of the Company's JV partners in Jelani) existing Mining Right. Any further advancement of the Jelani JV Project remains subject to ongoing internal review and approval under the joint venture framework by both the Company and Harmony.

Other than the above, no significant events have occurred subsequent to the reporting date that could have a material impact on the consolidated financial statements.

##### 26 ULTIMATE HOLDING COMPANY

The Company is widely owned by the public and is quoted on AIM, a market operated by London Stock Exchange plc.