



Axcap Ventures Inc. (CSE: AXCP)

Value creation from low-cost consolidation in tier-1 jurisdictions

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Investment highlights

- ◆ **Tier-1 resource base:** Axcap controls approximately 7.9Moz across Nevada, Wyoming, and British Columbia, anchored by ~6Moz at the Converse Project on Nevada's Battle Mountain trend. The deposit is near-surface, drill-ready, and permitted for exploration, with favourable heap-leach metallurgy and proximity to existing infrastructure.
- ◆ **Attractive valuation relative to peers:** The company has acquired ounces at less than US\$5/oz in the ground, compared with peer developers trading at US\$47/oz. It is currently trading at US\$3/oz on an EV/oz basis. Incremental de-risking through updated resource models, metallurgy, and engineering is expected to drive material valuation re-rating.
- ◆ **Converse development case:** Our conceptual scenario outlines the production of ~155,000 ounces per year over a 16-year mine life at an AISC of ~US\$1,845/oz, supporting an after-tax NPV5% of ~\$434M (at US\$2,700/oz gold). Importantly, re-rating potential is embedded in Axcap's cost base versus peer multiples, rather than dependent on higher gold prices.
- ◆ **Valuation & recommendation:** We initiate coverage with a **Buy rating** and a **\$0.60 price target**, based on a blended 0.5x NAV (\$1.20/share) using our long-term gold price assumption of US\$2,700/oz. Our valuation assigns \$434M (NPV 5%) to Converse and applies an in-situ multiple of approximately \$27/oz to Rattlesnake Hills and Newton.

Key financial data (FYE Dec. 31, C\$)	2023		2024	
Cash	\$	110,063	\$	11,849,696
Working capital	\$	41,433	\$	12,462,272
Mineral assets	\$	—	\$	2,301,633
Total assets	\$	1,234,460	\$	17,155,403
Net income (loss) for the 3M	\$	(1,717,165)	\$	(4,635,555)
EPS for the 3M	\$	(0.33)	\$	(0.06)

Current Price (C\$)*	\$0.14
Fair Value	\$0.60
Projected Upside	328.57%
Action Rating	BUY
Perceived Risk	VERY HIGH
Shares Outstanding	304,042,198
Market Cap. (C\$)	\$42,565,908
P/B	1.59
YoY Return	250%
YoY TSXV Return	39.15%

* Note: all \$ amounts are C\$ unless otherwise stated

CSE: AXCP Price and Volume History



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Source: Axcap Ventures Inc.

Investment highlights, continued

- ◆ **Capital-light, two-phase strategy:** Phase 1 involves acquiring stranded or under-capitalized projects and applying targeted technical work to increase credibility. Phase 2 emphasizes monetization through asset sales, joint ventures, spinouts, or royalties. This approach crystallizes value at the optimal point in the risk curve while minimizing shareholder dilution.
- ◆ **Supportive gold market backdrop:** Sustained gold prices and limited organic growth among producers have driven heightened M&A activity in Tier-1 jurisdictions. Axcap's portfolio is directly aligned with the types of projects sought by small to mid-tier acquirers.
- ◆ **Experienced management team:** Leadership combines technical capability with capital markets expertise. VP Exploration Blake McLaughlin (ex-Argonaut Gold) leads technical execution. The board and advisory group, which includes co-founders Mario Vetro (K92 Mining) and Tyron Breytenbach (ex-Cormark, Aris Mining), add further depth in project development and M&A.
- ◆ **Key upcoming catalysts (H2/2025):** Near-term catalysts include (1) drill results from step-out holes at Converse, (2) metallurgical test results including SART optimization, and (3) completion of a PEA on Converse in 2026.

We are initiating coverage of Axcap Ventures with a Buy recommendation, based on its significant gold resource base in Tier-1 jurisdictions and a disciplined business model that supports value creation. The company controls 7.9Moz of gold resource across Nevada, Wyoming, and British Columbia, with 6Moz concentrated at its flagship Converse Project on the Battle Mountain trend. The strategy is centered on acquiring stranded or under-capitalized projects at low entry costs (typically <US\$5/oz) and applying targeted technical work such as updated resource modeling, metallurgy, and permitting to re-rate the assets. This approach reduces exposure to early-stage exploration risk, keeps capital requirements low, and positions the portfolio for valuation uplift relative to peers, which trade at an average US\$47/oz, compared to Axcap at US\$3/oz on an EV/oz basis.

With gold prices providing a supportive backdrop for sector consolidation, and a management team experienced in both technical execution and capital markets, we see multiple pathways for Axcap to unlock value, whether through asset sales, spin-outs, or royalties.

Tier-1 ounces anchored by low-risk, low-complexity flagship Converse Project in Nevada

Axcap's portfolio is anchored by its flagship Converse Project in Nevada, supported by additional holdings in Wyoming and British Columbia, for a total of ~7.9Moz of gold resources. Converse alone contributes ~6Moz, located on the Battle Mountain trend, one of the most established gold-producing belts globally. The deposit is near-surface, drill-ready, and already permitted for exploration, with infrastructure advantages including proximity to SSR Mining's Marigold and i-80 Gold's Lone Tree complex. Metallurgical test work supports a conventional heap-leach processing route, with recoveries of 77% for oxide, 62% for transition. The combination of scale, jurisdiction, infrastructure, and straightforward flowsheet makes Converse consistent with the type of projects mid-tier producers have historically pursued in Nevada.

Structural undervaluation with a built-in spread

Axcap's acquisition discipline underpins its valuation case. The company has secured ounces at less than US\$5/oz in the ground, compared to peer developers that trade at US\$47/oz on an EV/oz basis. Progress on de-risking, through resource updates, metallurgical work, scoping-level engineering, and permitting advancement, could help close this gap and support multiple expansions. The current resource is already contained within a conceptual pit shell at US\$2,000/oz gold, and with a PEA planned for late 2025, the project will soon have a defined production and cost framework. In our conceptual development scenario for Converse, we model the asset to produce ~155,000 ounces of gold per year for a 16-year mine life at a conservative US\$1,839/oz AISC, which results in an after-tax NPV of 5% at \$434M. In our view, the

re-rating potential for Axcap is not dependent on higher gold prices, but rather embedded in the arbitrage between Axcap's acquisition cost base and prevailing peer multiples, which is expected to materialize as the project de-risks.

Capital-light, two-phase strategy built for monetization

The company's strategy is deliberately capital-light and structured in two phases. Phase 1 focuses on acquiring stranded or under-capitalized assets with historical drilling and defined resources, followed by targeted technical work, resource modeling, variability metallurgy, and permitting groundwork to increase asset credibility. Phase 2 emphasizes monetization of these de-risked ounces through asset sales, joint ventures, spin-outs, or retaining royalties/streams. This approach aims to crystallize value at the right point in the risk curve while limiting shareholder dilution. By focusing on Tier-1 jurisdictions where buyer appetite is strongest, and projects that match the transaction sizes targeted by small to mid-tier producers, Axcap can potentially shorten the path from acquisition to monetization.

Supportive gold price environment and active M&A cycle

The current gold price environment supports industry consolidation. Producers remain free cash flow positive but face limited organic growth options, which is driving increased M&A activity in low-risk jurisdictions. Axcap's portfolio, located in Tier-1 districts and technically straightforward, aligns well with the types of projects pursued by small to mid-tier producers. As consolidation continues, Axcap's assets are well-positioned to attract strategic interest, providing avenues for value realization.

Team with technical and capital markets expertise

The company's management team combines technical depth with capital markets expertise, supported by a board and advisory group with proven track records in discovery, development, and financing. CEO Robert Dubeau provides strategic and corporate leadership, while President Luis Zapata (ex-Canaccord, Silver X, Vista Gold Peru) brings nearly two decades of mining finance and Latin American experience. On the technical side, VP Exploration Blake McLaughlin, formerly Chief Geologist at Argonaut Gold, leads exploration and resource development, and CFO Kevin Ma (ex-Alexco, First Cobalt) adds more than 15 years of mining finance and structuring experience. The board includes co-founders Mario Vetro (Commodity Partners, K92 Mining) and Tyron Breytenbach (ex-Cormark, Aris Mining), both of whom add a unique blend of capital markets and technical insight, while independent directors such as Desmond Balakrishnan provide strong governance and oversight. This structure ensures disciplined capital allocation toward programs that directly drive valuation, while early and ongoing engagement with potential acquirers keeps development aligned with industry demand and enhances the probability of value crystallization.

Valuation and recommendation

We are initiating coverage of Axcap Ventures with a Buy rating and \$0.60 price target. Our price target is based on a blended 0.5x multiple on the Company's \$1.20/share NAV at our long-term gold price assumptions (US\$2,700/oz). We valued Converse at \$434M (NPV5% from the DCF) and assigned a ~US\$27/oz in-situ multiple (1% of our gold price assumption) to Rattle Snake's 1.04Moz and Newton's ~0.9Moz resource base (NAV breakdown in Table 6). Overall, AXCP provides a very attractive entry point into a potential low-risk, low complexity project in a Tier 1 mining jurisdiction and a stock with a catalyst-rich calendar in H2/25. Potential upcoming catalysts include: 1) Assay results from the ongoing exploration drill program at Converse, especially from step-out holes at depth and outside the current resource zone; 2) Metallurgical test results from Converse and further optimization work on SART; 3) Preliminary Economic Assessment (PEA) on Converse expected in 2026. We initiate with a Buy recommendation.

AXCAP VENTURES — COMPANY BACKGROUND AND OVERVIEW

Axcap Ventures Inc. is a Canadian gold development and consolidation company focused on acquiring, expanding, and monetizing undervalued gold resources in North America. The Company has built a portfolio of over 7.9Moz of gold resources across Nevada, Wyoming, and British Columbia. This portfolio is anchored by its flagship Converse Project in Nevada, which alone accounts for ~6Moz of gold resources. In addition, Axcap holds the Rattlesnake Hills Gold Project in Wyoming, a historical district-scale alkaline intrusive system with a 1.04Moz Au maiden resource, and the Newton Gold Project in British Columbia, which hosts an 843Koz Au Inferred resource.

The flagship Converse Project is situated on the prolific Battle Mountain trend in Nevada, a region with more than 50Moz of historical production and current reserves. The deposit is drill-ready and already permitted for exploration. Current resources include 5.57Moz (M&I) and 0.42Moz (Inferred), located within existing pits. The project benefits from excellent infrastructure and proximity to operating mines, including SSR Mining's Marigold and i-80 Gold's Lone Tree Complex, both of which are within trucking distance.

Axcap's strategy is straightforward: acquire ounces at <US\$5/oz, add resource scale through targeted exploration and technical de-risking (Phase 1), and ultimately monetize at higher values through M&A, spinouts, or royalty structures (Phase 2).

- ◆ **Phase 1 — Acquisition and de-risking:** The focus is on projects with historical drilling, established mineral resources, and evidence of district-scale potential that have been constrained by capital. Once acquired at low cost, these assets undergo targeted exploration, updated technical interpretation, and, where applicable, NI 43-101 compliant resource modeling. Axcap deliberately avoids grassroots risk, instead concentrating on projects with strong geological datasets that can be rapidly upgraded or expanded. This accelerates recognition, reduces costs per ounce, and keeps the portfolio capital-light. Converse, Rattlesnake Hills, and Newton are all examples of assets secured at valuations well below peer averages. Each also carries meaningful upside: Converse has untapped potential in the lower plate rocks comparable to the Carlin trend; Rattlesnake Hills is an underexplored alkaline system with similarities to Cripple Creek; and Newton shows large-scale epithermal characteristics with less than 20% of its geophysical anomaly drilled to date.

- ◆ **Phase 2 — Monetization:** Once ounces are expanded, upgraded, or re-rated, Axcap evaluates multiple monetization paths. Options include outright asset sales to producers, spinning out assets into new, focused vehicles, or retaining royalties/streams to secure long-term upside. The priority is maximizing per-share value while minimizing dilution through creative deal structures.

This phased approach ensures Axcap stays nimble and avoids being locked into perpetual development, in our opinion.

A key strength of Axcap's model is its strict focus on Tier 1 jurisdictions. All assets are located in mining-friendly regions with established permitting regimes, skilled labour, and strong infrastructure. This aligns directly with the strategies of small to mid-tier producers, who are increasingly prioritizing scalable projects in low-risk jurisdictions. Converse sits in one of the world's premier gold belts, with road, power, and processing infrastructure nearby, with water rights already available for the project. Rattlesnake Hills in Wyoming offers district-scale potential with limited permitting hurdles, while Newton in British Columbia's Cariboo region is surrounded by active and development-stage mines, providing a clear roadmap for advancement.

OWNERSHIP AND CAPITAL STRUCTURE

Table 1: Options and warrants summary — AXCP

Number of options outstanding ['000]	Strike price [C\$]	ITM # ['000]	ITM [C\$M]	WARL	Expiry
11,525	\$0.21	0	\$0.00	4.63	14-Nov-29
11,525	\$0.00	0	\$0.00		
Number of warrants outstanding ['000]	Strike price [C\$]	ITM # ['000]	ITM [C\$M]	WARL	Expiry
4,133	\$0.48	0	\$0.00	1.86	7-Feb-27
340	\$0.48	0	\$0.00	2.00	31-Mar-27
84,067	\$0.30	0	\$0.00	4.39	19-Aug-29
83,933	\$0.30	0	\$0.00	4.43	3-Sep-29
71,154	\$0.20	0	\$0.00	4.70	10-Dec-29
3,623	\$0.20	0	\$0.00	4.70	10-Dec-29
2,450	\$0.20	0	\$0.00	4.75	27-Dec-29
3,623	\$0.20	0	\$0.00	4.75	27-Dec-29
5,540	\$0.20	0	\$0.00	4.85	5-Feb-30
258,862		0	\$0.00	\$0.00	
Number of RSUs outstanding ['000]	Strike price [C\$]	ITM # ['000]	ITM [C\$M]	WARL	Expiry
5,235	\$0.21	0	\$0.00	4.63	14-Nov-29
Total					
275,622		0	\$0.00		

Source: Couloir Capital, Capital IQ, Company Reports

As of June 2025, AXCP had ~308 million common shares outstanding, along with ~258.8 million share purchase warrants, 11.5 million share purchase options, and 5.2 million RSUs outstanding. The company recently completed a ~\$15.8 million non-brokered financing in three tranches and has announced a \$20 million ATM offering. The proceeds from the ATM offering will be used to invest in early-stage or undervalued companies or projects, investment and for working capital purposes. The warrants are priced from \$0.20 to \$0.48/share, with an average price of \$0.27/share. The options and RSUs are priced at an average of \$0.21/share. At the current share price of \$0.14, none of the shares, warrants and RSUs are in the money.

Co-founders Mario Vetro and Tyron Breytenbach are two of the largest shareholders of Axcap, holding ~8% of the common equity outstanding. The total insider holding for Axcap is ~12%, which is a positive sign and indicates 'skin in the game'. A major portion, i.e., ~88%, is currently held by public/retail investors, with limited institutional holding.

WORK DONE SO FAR BY AXCAP AND PLANS GOING FORWARD

CONVERSE PROJECT (NEVADA)

Since acquiring Converse, Axcap has focused on validating and upgrading the large historical database, which includes more than 254,000 feet of RC and core drilling. In early 2025, SRK Consulting delivered a NI 43-101 compliant Mineral Resource Estimate outlining 5.57Moz of Measured and Indicated resources and a further 0.42Moz Inferred within a robust pit shell. The company has also digitized and reprocessed legacy geological, geophysical, and metallurgical data, undertaken early-stage flow sheet evaluations, and confirmed baseline permits such as water rights and reclamation. Exploration upside at Converse remains both at depth below the current block model and in lower plate rocks, which are open and. This spring (March 2025), Axcap launched a fully financed 5,000 m drill program to chase depth extensions and structural controls, including potential lowerplate targets typical of major Nevada deposits. Meanwhile, the company has also commenced work on a PEA, issuing the engagement notice in July 2025.

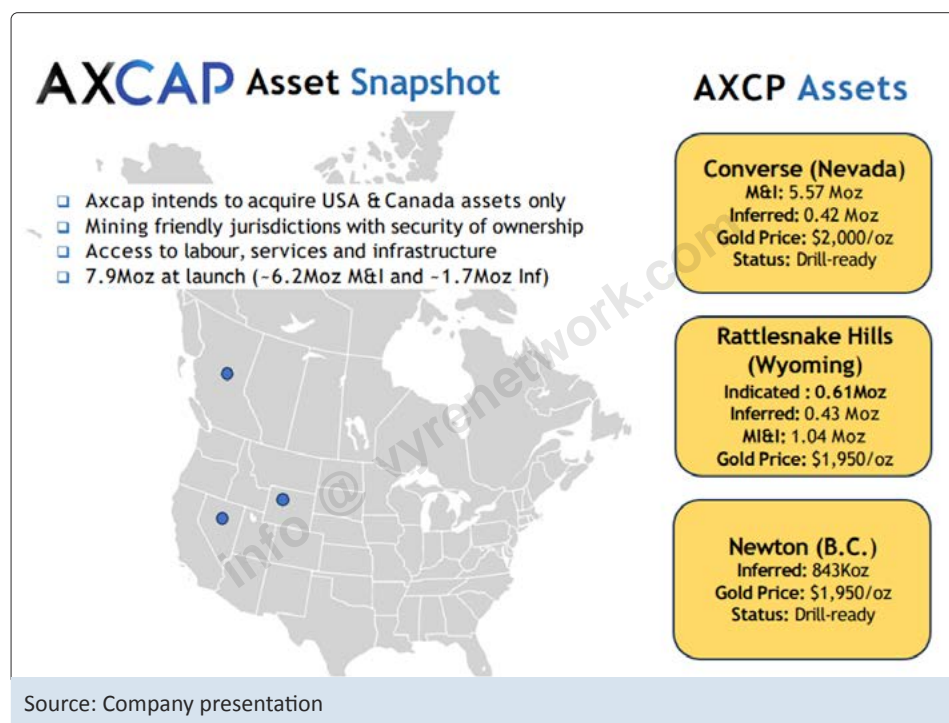
RATTLESNAKE HILLS PROJECT (WYOMING)

Following its acquisition in 2024, Axcap re-evaluated the Rattlesnake Hills district, an alkaline intrusive system with more than US\$40 million of historical exploration. The company commissioned and published the first NI 43-101 compliant Mineral Resource Estimate, reporting 1.04Moz of gold across the North Stock and Antelope Basin zones. Work to date has included re-logging and reinterpretation of historic drill holes, refining intrusive domains and structural controls, reprocessing historical geophysics, and consolidating a 30,000-acre land package. Four alteration/mineralized zones—North Stock, Antelope Basin, South Stock, and Blackjack—have been identified, featuring both broad low-grade mineralization and discrete high-grade intercepts. There's no new drilling publicly announced yet, but Axcap continues to highlight the district potential, and it remains a key target for future exploration alongside geophysics and resource expansion

PROJECT PORTFOLIO — FOCUSED ON TIER-1 JURISDICTIONS

Axcap's portfolio comprises three assets: the flagship Converse Project in Nevada (100% owned), the Rattlesnake Hills Project in Wyoming (100% owned), and the Newton Gold Project in British Columbia (100% owned). Collectively, these projects host over 7.9Moz of gold equivalent resources, placing Axcap among the largest junior developers by resource scale in North America. Each asset is located in a geopolitically stable jurisdiction, features substantial historical investment, and remains open for expansion through targeted drilling.

Figure 1: Axcap's asset portfolio



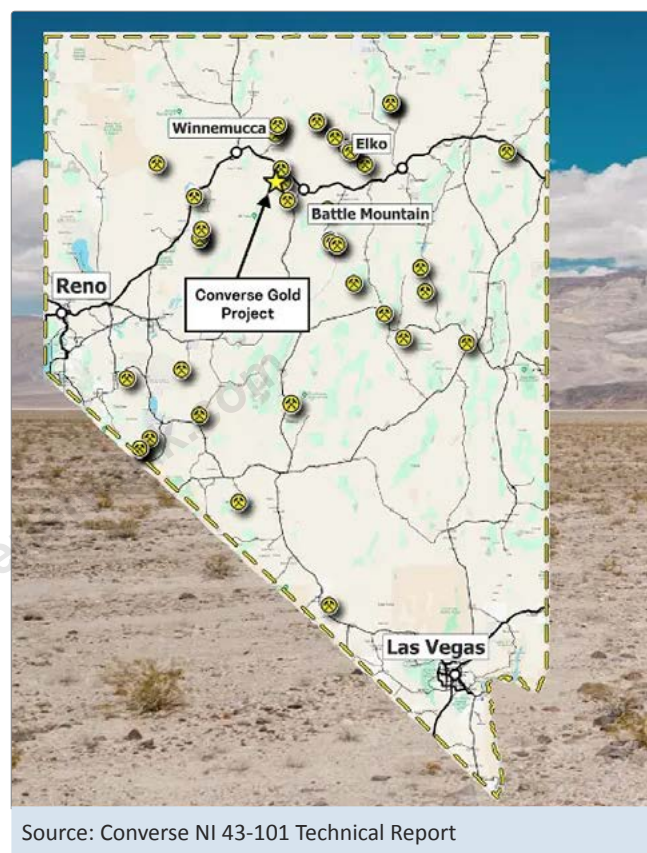
THE CONVERSE PROJECT — LOW RISK, LOW COMPLEXITY ASSET IN NEVADA

The Converse Project is a significant gold exploration and development initiative situated in the south-eastern corner of Humboldt County, Nevada, within the prolific Battle Mountain-Eureka Trend. This trend is renowned for hosting numerous world-class gold deposits, making it one of the most productive gold regions in North America. The project is located approximately 29 kilometres north-west of Battle Mountain and about 48 kilometres southeast of Winnemucca, Nevada. These towns act as regional hubs for mining operations, offering services, accommodations, and access to a skilled labour pool. The site is readily accessible via Exit 216 (Valmy) off Interstate 80, followed by a county-maintained gravel road, ensuring year-round access under all weather conditions.

The Converse Project is strategically situated near several major producing and past-producing mines:

- ◆ **Marigold Mine** (SSR Mining): Located approximately 9 miles southeast. Marigold is a large-scale, open-pit, heap-leach operation.
- ◆ **Lone Tree Complex** (i80 Gold): Located roughly 9 miles to the north, it has historically produced significant gold volumes.
- ◆ **Phoenix Mine** (Nevada Gold Mines JV): Located further south, it is a large-scale polymetallic operation producing both gold and copper.

Figure 2: Converse Project location

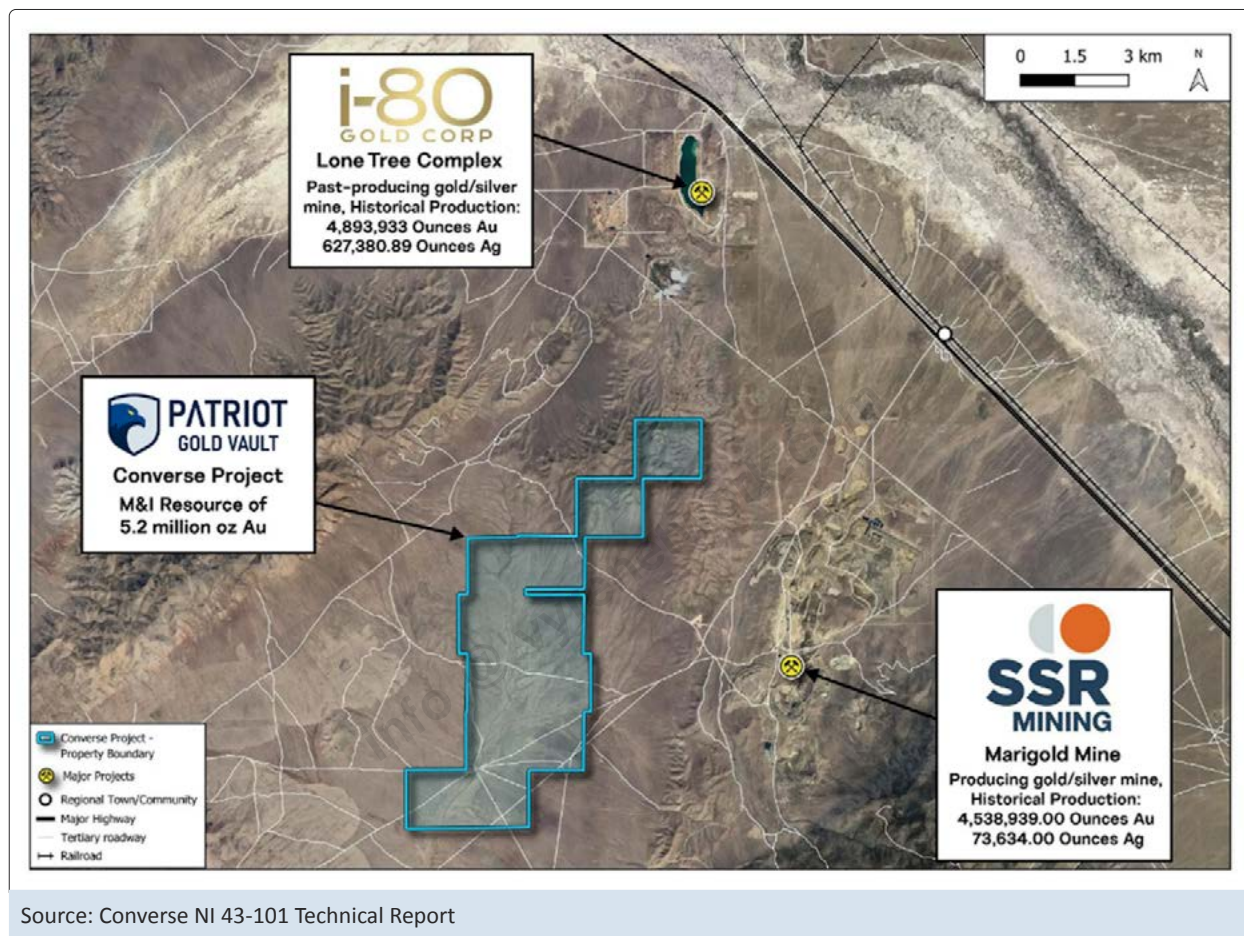


HISTORY

Exploration activities at Converse date back to 1988, when Nevada North Resources staked the “Nike Property,” initiating the first drilling campaign with Kennecott Minerals. Chevron, Cyprus, Independence Mining, and Uranerz each carried out successive exploration work in the early 1990s, including surface sampling, BLEG surveys, induced polarization geophysics, and multiple RC drilling campaigns. From 1997 to 2004, Metallic Ventures Gold (MVG) conducted the most significant historical work, with over 115 drill holes and 200,000 feet of drilling. Their work defined the Redline North and South skarn targets, leading to the development of several historical mineral resource estimates.

In 2014, SRK Consulting produced a 43-101 compliant historical resource estimate on behalf of Chaparral Gold, confirming the scale and grade potential of the deposit. In 2019, Converse Resources LLC acquired the project and began transitioning it toward development through the acquisition of water rights, environmental permitting, metallurgical test work, and database refinement.

Figure 3: Converse proximity to SSR's Marigold Mine and i-80's Lone Tree Complex



GEOLOGY AND MINERALIZATION

The Converse Project lies in a geologically favourable region within the Golconda allochthon, primarily hosted within the Havallah sequence, a package of late Paleozoic deep marine sediments composed of calcareous sandstone, siltstone, chert, and minor limestone. This turbiditic sequence dips shallowly west and is the primary host for the mineralized zones. A key feature of the deposit is the Redline intrusive, a Tertiary-age granodiorite to dacite porphyry body dated to ~41 Ma. The porphyry intrudes the Havallah sequence and is interpreted to be the source of hydrothermal fluids responsible for forming extensive skarn alteration. The stratigraphy and intrusive geometry have been structurally overprinted by several generations of faulting, including a west-dipping reverse fault that played a role in fluid flow and mineral deposition. Minor folding and later extensional faulting influence current geometry and resource modeling. Gold mineralization at Converse is hosted in both endoskarn (within the Redline intrusive) and exoskarn (in the surrounding Havallah sediments). Skarn alteration textures include massive garnet-pyroxene

assemblages, as well as retrograde chlorite-actinolite and epidote-rich zones that are more favourable for gold deposition.

The deposit spans over 5,000 feet in strike length and up to 2,500 feet across, with vertical continuity in excess of 2,000 feet. Gold occurs as free grains and as inclusions within sulfides such as pyrrhotite, chalcopyrite, sphalerite, and minor galena and arsenopyrite. Associated trace metals include copper, zinc, and molybdenum. Surface oxidation of the system occurs to variable depths.

Metallurgically, the deposit is divided into three oxidation domains:

- ◆ **Oxide:** Near-surface zones with extensive weathering and favourable gold recovery
- ◆ **Transition:** Intermediate depth zones with partial oxidation; variable metallurgy
- ◆ **Sulfide:** Deep, primary sulfide mineralization with higher copper content

MINERAL RESOURCES

As of February 13, 2025, the Converse Project hosts a robust pit-constrained NI 43-101 Mineral Resource of ~5.9Moz of gold, prepared by SRK Consulting. The Mineral Resource Estimate is underpinned by a comprehensive and validated geological model based on 326 drill holes totaling approximately 254,000 feet of drilling. Drill spacing is approximately 50 to 75 feet in areas classified as Measured, about 100 feet for Indicated zones, and greater than 150 feet in Inferred regions. Grade continuity and classification are further supported by visual inspection of cross-sections, swath plots, and comparisons between raw sample statistics and block model outputs.

The block model uses a parent cell size of 50 ft by 50 ft by 20 ft and applies inverse distance squared (ID²) interpolation for Measured and Indicated blocks, and nearest neighbour (NN) for Inferred blocks. A uniform bulk density of 2.65 g/cm³ was applied across all domains pending further variability testing.

Table 2: Converse mineral resource estimate

Converse resource	Tonnes [t]	Grade [g/t Au]	Au ounces [oz]
Measured	238,418,539	0.54	4,131,678
Indicated	91,706,822	0.49	1,435,914
M&I	330,125,361	0.52	5,567,592
Inferred	24,823,100	0.53	421,380
Total [M&I + I]	354,948,461	0.52	5,988,972

Source: Converse NI 43-101 Technical Report

The model accounts for three primary oxidation states oxide, transition, and sulfide and reflects recovery variability based on metallurgical test work. Gold recoveries are modeled at 80% for oxide material, 60% for transition, and 50% for sulfide domains. A breakdown on the basis of oxide, transition and sulphide

Table 3: Converse M&I resource distribution — oxide vs. transition vs. sulphide

Converse resource breakdown	Class	Tonnes [t]	Grade [g/t Au]	Au ounces [oz]
Oxide	M&I+I	87,750,000	0.44	1,241,359
Transition	M&I+I	185,770,000	0.55	3,285,005
Sulphide	M&I+I	71,340,000	0.60	1,376,202

Source: Converse NI 43-101 Technical Report

zones is included in Figure 5 below. Notably, in our conceptual development scenario, we have limited the mine plan to oxide and transition zones only, given that more test work is required on sulphide and potentially a different process flowsheet to process the sulphide ore.

The cut-off grade used is 0.2 g/t Au was calculated on the basis of the economic constraints derived from the following assumed parameters: a gold price of US\$2,000/oz, mining costs of US\$2.00 per tonne, processing costs of US\$4.50 per tonne, and general and administrative (G&A) expenses of US\$0.75 per tonne. The pit shell optimization also incorporated metallurgical recovery factors, slope angles of 36° in alluvium and 41° in bedrock, and a 6% Net Smelter Return (NSR) royalty.

INFRASTRUCTURE, WATER AND PERMITTING

The Converse Project benefits from well-developed regional infrastructure and proximity to essential utilities. The project is within trucking distance of two major mining towns—Battle Mountain and Winnemucca, and has direct road access via a county-maintained gravel road that connects to Interstate 80. This ensures all-weather access for heavy equipment, personnel, and materials transport, reducing operational risks during construction and operations. Electrical power infrastructure is located within 5–9 miles of the project area. The proximity of existing power lines, including those servicing the Marigold and Lone Tree mines, provides a feasible path for grid connection with minimal right-of-way challenges. Natural gas lines also pass nearby, offering potential for energy cost optimization during processing.

Water rights, which are often a key constraint in Nevada, have already been addressed. In 2019, CRL acquired 2,560 acre-feet of irrigation water rights, which have been successfully converted for industrial use by the Nevada State Engineer. This strategic acquisition provides the project with a long-term, secure water source that does not rely on regional allocations or municipal supply. It simultaneously eliminates one of the most critical path items in the permitting process. There are no federally designated critical habitats or endangered species identified within the project area. Additionally, the region has a long-standing history of mining activity, reducing the likelihood of socio-environmental pushback. The project's location is on public land in a low-conflict zone.

Surface conditions are favourable for mining infrastructure development. The topography is mainly flat to gently undulating, with minimal vegetation and negligible overburden, reducing the need for large-scale earthmoving and site preparation. The area is also devoid of major population centers, minimizing the risk of land use conflict or opposition from local residents.

Exploration activities at the project are currently governed by a Bureau of Land Management (BLM) Plan of Operations (NVN065461), supported by an Environmental Assessment (EA N20-98-001P). These documents permit road access, drilling, trenching, and small-scale construction. Reclamation activities are governed by the Nevada Division of Environmental Protection (NDEP) Reclamation Permit #0122, with a current bond amount of US\$56,330. Baseline studies for environmental, hydrological, and cultural resource assessments have been completed, providing a solid foundation for any future Mine Plan of Operations (MPO) submission.

CONCEPTUAL DEVELOPMENT SCENARIO

The development pathway envisioned for the Converse Project is a large-scale open-pit, heap-leach gold operation. Metallurgical testing completed between 2005 and 2018 by McClelland Laboratories and Kappes Cassiday has shown favourable recoveries for oxide and transition material, ranging from 43% up to 86%. These results support heap leaching as the preferred processing route for early-stage production, given its lower capital requirements and operational simplicity.

The conceptual flowsheet includes three-stage crushing (with the option to incorporate HPGR at a later stage to improve liberation), agglomeration with cement and cyanide, stacking on lined leach pads, and gold recovery through ADR (Adsorption-Desorption-Recovery) circuits. Column leach tests have confirmed effective percolation and reasonable leach kinetics. While sulfide zones present metallurgical challenges due to elevated copper content, future phases could incorporate selective mining, blending strategies, and the application of SART (Sulphidization, Acidification, Recycling, and Thickening) to manage copper levels and recover cyanide. Additional metallurgical testing is needed to refine recoveries and reagent consumption in these sulfide domains. Owing to this, we have categorically excluded the sulphide zone from our development scenario mine plan.

Drawing on the technical report and comparable heap leach projects in the region, we developed a conceptual development case for Converse. With work on a PEA just underway, we assume at least two years before the project reaches feasibility level. Environmental baseline studies are expected to continue in parallel with the PEA, while permitting activities are modeled to begin in 2027. On this basis, we have assumed construction starting in mid-2029, with first production in early 2031. Our model assumes a 50,000 tpd crushing and heap leach operation at a flat head grade of 0.44 g/t Au over the life of mine. No by-products have been considered. We applied a flat 1.3:1 strip ratio across LOM, rather than assuming a lower strip in early years, even though mineralization begins at surface. A summary of operational parameters is provided in Table 5.

For operating assumptions, we applied a 6% royalty, mining costs of US\$2.75 per tonne mined, processing costs of US\$5.00 per tonne processed, and general and administrative (G&A) costs of US\$1.25 per tonne processed, for a total operating cost of approximately US\$12.58 per tonne processed. Pre-production capital is estimated at US\$650M, conservative relative to comparable heap leach developments (Table 4), with sustaining capital of US\$473M over the 16-year LOM. On this basis, the project is expected to produce ~155,000 ounces per year at an AISC of US\$1,845/oz, generating ~US\$1.1B of undiscounted cash flow. The after-tax valuation yields an NPV (5%) of \$434M and an IRR of ~10.4%. A summary of the financial parameters is shown in Table 5.

Table 4: Converse comparable projects

Comparable Gold Projects	South Railroad	Black Pine	Beartrack	Mercur
Operator	Orla Mining	Liberty Gold	Revival Gold	Revival Gold
location	Nevada	Idaho	Idaho	Utah
Stage	Feasibility	Prefeasibiity	Prefeasibiity	PEA
Study date	14-Mar-22	21-Nov-24	1-Jun-23	1-Mar-25
Processing method	ROM/Heap Leach	ROM/Heap Leach	Crush/Heap Leach	Crush/Heap Leach
Throughput (tpd)	22,407	50,000	12,000	18,144
Head grade (g/t Au)	0.75	0.32	0.74	0.55
Strip ratio (waste/ore)	4.10	1.32	2.40	2.76
Strip adjusted grade (g/t Au)	0.15	0.14	0.22	0.15
Gold recovery (%)	64.50%	70.40%	61.60%	74.60%
LOM gold production (koz)	1,030	2,189	529	951
Mine life (years)	8	17	8	10
Average gold production / year (koz)	128.8	128.8	66.1	95.1
Mining cost (US\$/t mined)	1.85	2.35	2.44	3.04
Processing cost (US\$/t processed)	2.26	1.80	4.73	4.63
G&A (US\$/t processed)	0.58	0.73	1.02	0.63
Initial capital (US\$M)	190	327	109	194
Sustaining capital (US\$M)	187	220	100	110
LOM AISC (US\$/oz)	1,021	1,381	1,235	1,363

Comparable Gold Projects	Florida Canyon	Marigold	Pan	Converse
Operator	Integra Resources	SSR Mining	Equinox Gold	Axcap
Location	Nevada	Nevada	Nevada	Nevada
Stage	Operating	Operating	Operating	Conceptual Model
Study date	11-Jul-24	12-Feb-24	1-Sep-21	21-Aug-25
Processing method	ROM+Crush/Heap Leach	ROM/Heap Leach	ROM/Heap Leach	Crush/Heap Leach
Throughput (tpd)	30,000	52,000	12,701	50,000
Head grade (g/t Au)	0.35	0.47	0.41	0.44
Strip ratio (waste/ore)	0.9	4.0	1.7	1.3
Strip adjusted grade (g/t Au)	0.19	0.09	0.15	0.19
Gold recovery (%)	59.00%	74.30%	72%	60.00%
LOM gold production (koz)	527	2,198	225	2,480
Mine life (years)	8	10	6	16
Average gold production / year (koz)	65.9	212.0	40.0	155.0
Mining cost (US\$/t mined)	2.50	1.60	2.28	2.75
Processing cost (US\$/t processed)	2.68	2.37	3.37	5.00
G&A (US\$/t processed)	2.07	1.14	0.89	1.25
Initial capital (US\$M)	0	0	0	650
Sustaining capital (US\$M)	144	258	13	473
LOM AISC (US\$/oz)	1,394	1,213	1,650	1,839

Source: Independent NI 43-101 Technical Reports - South Railroad, Black Pine, Beartrack, Mercur, Florida Canyon, Marigold, Pan

Table 5: Converse project parameters

Converse project parameters			Converse project parameters		
Operational parameters	Unit	Amount	Cost parameters	Unit	Amount
Mineable resource	Mt	292.2	Mining cost	US\$/t mined	2.75
Average grade	g/t	0.44	Processing cost	US\$/t processed	5.00
Ounces contained	Moz	4.11	G&A cost	US\$/t processed	1.25
Strip ratio	Waste:Ore	1.30	Refining charge	US\$/oz	3.50
Mill throughput rate	tpd	50,000	Royalty	%	6.0%
Head grade	g/t	0.44	Total operating cost	US\$/t processed	12.58
Gold recovery	%	60%	Avg. LOM cash cost	US\$/oz	1,648
Annual gold production	koz	155	Avg. LOM AISC	US\$/oz	1,839
LOM gold production	Moz	2.48	Financial parameters	Unit	Amount
Mine life	years	16.00	Gold price	US\$/oz	2,700
Source: Couloir Capital			Initial capital	US\$M	650
			Sustaining capital	US\$M	473
			Tax rate	%	31%
			After tax NPV5%	C\$M	434
			After tax IRR	%	10.4%

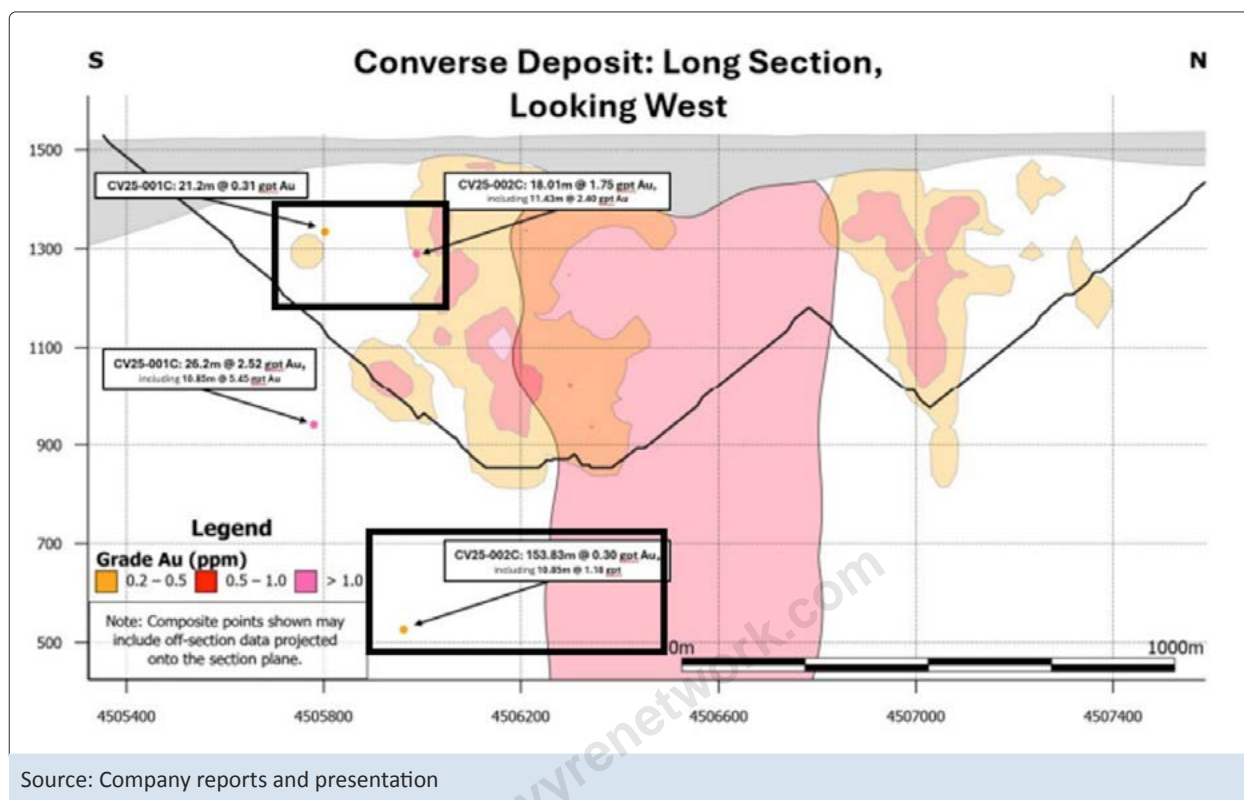
EXPLORATION UPSIDE AND STRATEGIC OPPORTUNITIES

In addition to the current mineral resource, Converse exhibits meaningful exploration upside. The known mineralization remains open at depth and laterally, particularly around the edges of the Redline North and South deposits. Historical drill holes have intercepted gold-bearing zones outside the current resource shell, including beneath alluvium that was previously not modeled. There is also potential for defining higher-grade satellite zones or feeder structures within the broader skarn system, particularly where mineralized faults intersect favourable lithologic contacts. Recent drill results below the current resource have yielded positive results at depth, indicating further resource upside in the sulphide zone. (See Figure 4)

Beyond resource expansion, multiple technical optimization opportunities exist:

- ◆ **Refined copper modeling:** Improved copper estimation could lead to better economic modeling and facilitate the use of copper-selective metallurgical techniques.
- ◆ **Metallurgical enhancements:** Further testing with HPGR, SART, or fine grinding technologies could improve recoveries in sulfide domains.
- ◆ **Infrastructure synergies:** Proximity to nearby operations offers toll milling, grid connection, and water-sharing potential.
- ◆ **Strategic consolidation:** The project's location between SSR Mining and Nevada Gold Mines operations makes it a logical candidate for regional consolidation, JV, or acquisition.

Figure 4: Drill results from ongoing drill program at Converse



RATTLESNAKE HILLS PROJECT

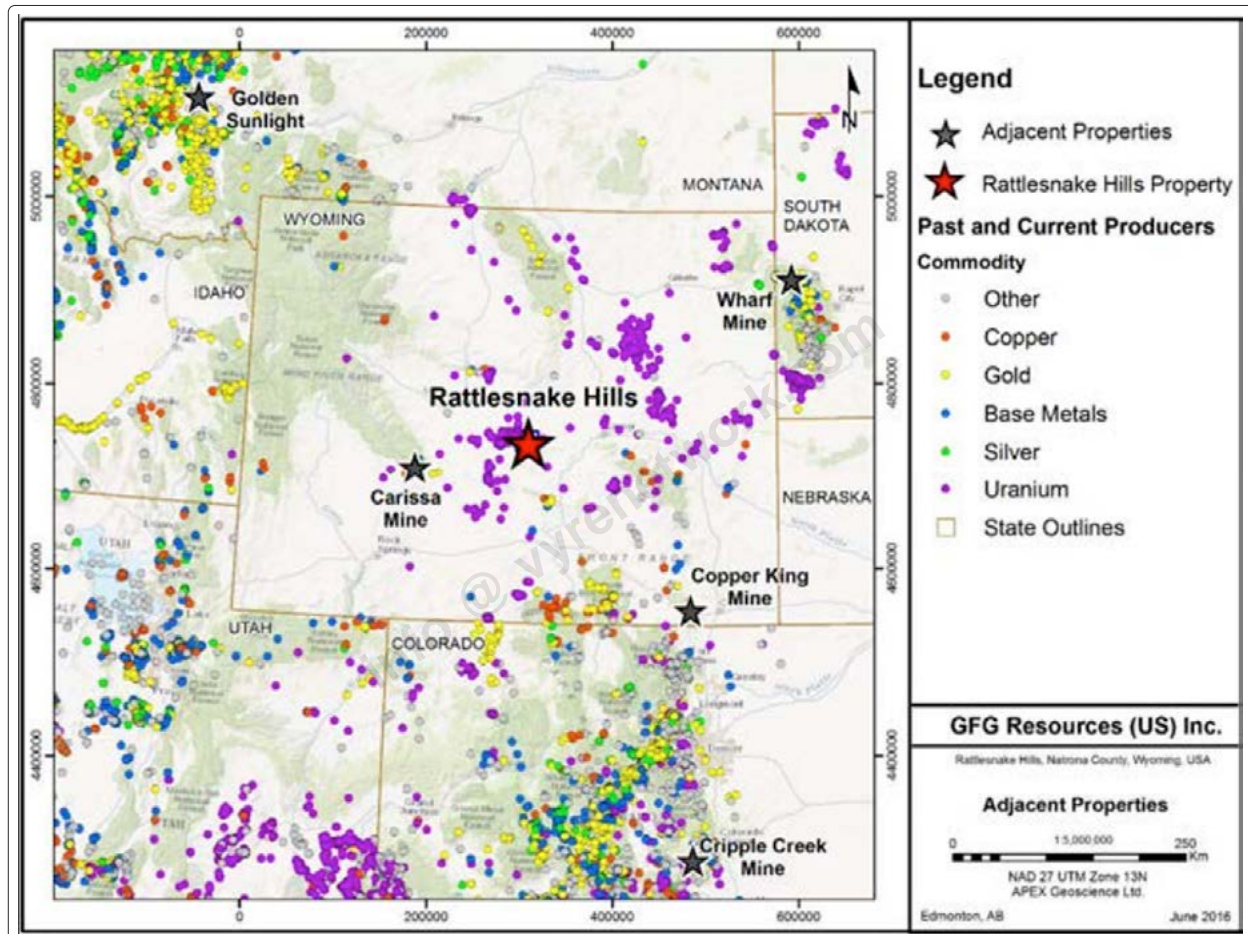
The Rattlesnake Hills Project is a district-scale gold exploration property located in Natrona County, central Wyoming, approximately 100 km southwest of Casper. The project covers approximately 10,725 hectares (26,501 acres) and is 100% held (beneficially) by GFG Resources (US) Inc. The property encompasses nearly the entire Rattlesnake Hills Gold District and is regarded as one of the few significant alkalic-intrusion related gold exploration plays in the United States.

The property is accessed via State Highway 220 from Casper, followed by County Road 321 (Dry Creek Road), which transects the western half of the project area. The northern portion of the property can be accessed via County Road 201 (Poison Spider Road). Internal access is provided by a network of privately maintained roads, with additional routes navigable via foot or ATV. The property is favorably situated for year-round exploration, aided by well-developed transportation routes.

- ◆ **Casper, WY:** As Wyoming's second-largest city, Casper is the primary logistical and population center for the project. It offers access to skilled labor, supplies, accommodations, and daily commercial air service via Casper-Natrona County International Airport.
- ◆ **Rawlins and Riverton:** Secondary towns within trucking distance that provide additional services and logistics.

While no immediate neighbouring gold producers exist, the region contains numerous historic mining operations. The Rattlesnake Hills Project shares geologic affinity with large-scale gold systems like Cripple Creek (CO) and Golden Sunlight (MT), both of which are associated with alkalic intrusions similar to those seen on the project.

Figure 5: Adjacent properties showing regional mineralized trend along the eastern flank of the Rocky Mountains.



Source: Rattlesnake Hills NI 43-101 Technical Report

HISTORY

Gold mineralization in the Rattlesnake Hills district was first discovered in the early 1900s through shallow prospecting. Systematic modern exploration began in the 1970s with the American Copper and Nickel Company (ACNC) conducting geochemistry and RC drilling. This was followed by multiple campaigns led by Canyon Resources, Newmont, Bald Mountain Mining, Evolving Gold, and others.

From the 1980s to 2014, more than 77,000 meters of drilling (RC and core), over 11,000 surface geochemical samples, trenching, geophysical surveys, and geological mapping were conducted. Notable discoveries were made at the North Stock, Antelope Basin, South Stock, and Blackjack zones. Historic highlights include: 1.86 g/t Au over 236.22m from surface (North Stock) in hole RSC-007, 1.72 g/t Au over 102.11m in hole RSC-153 (Antelope Basin), 9.30 g/t Au over 3.05m in hole RSC-180, and 1.33g/t Au and 19.56 g/t Ag over 33.53m in hole NVJ-001 (Black Jack).

GEOLOGY AND MINERALIZATION

Rattlesnake Hills is part of a 1,500 km belt of alkalic intrusive complexes along the eastern Rocky Mountains. The property features up to 42 mapped Eocene-aged intrusions (phonolite, trachyte, quartz monzodiorite) emplaced into Precambrian greenstone belts and schists. These form part of the Rattlesnake Alkaline Intrusive (RAI) complex.

Three main intrusive groups have been identified:

- ◆ **Central Alkaline Group (CAG)** — Hosts most of the known gold mineralization, composed of phonolite, trachyte, and latite domes.
- ◆ **Eastern Felsic Group (EFG)** — Quartz latites and rhyolites.
- ◆ **Western Felsic Group (WFG)** — Mineralogically similar to EFG but with different textural characteristics.

The intrusions are structurally controlled, aligning with the Belle Fourche Lineament and intersected by multiple faults and dike swarms. Host rocks include Archean schists, cherts, and iron formations. A detailed comparison with Cripple Creek reveals strong similarities across geologic and metallogenic parameters, including multiple intrusive and hydrothermal events, abundant potassic and carbonate alteration, presence of roscoelite, tetrahedrite, high Au:Ag and Au:base metal ratios, and structurally controlled mineralization at lithological contacts.

MINERAL RESOURCE

In 2024, Axcap Ventures published a maiden NI 43-101 compliant Mineral Resource Estimate for the Rattlesnake Hills Project, with a total resource base of 1.04 million ounces (M&I+I).

The resource is based on legacy drilling across the North Stock and Antelope Basin deposits and was calculated using a US\$1,950/oz gold price and economic assumptions consistent with current heap leach operations. Recovery estimates and metallurgical data will be refined through upcoming testing. The resource remains open at depth and laterally, and only two of more than ten identified intrusive centers have been incorporated into the current estimate. Historical drilling results show continuity of mineralization over significant widths, and the authors of the technical report recommend evaluating these targets for resource estimation after further infill and metallurgical work. Key zones with potential for delineation include North Stock, Antelope Basin, Black Jack, and South Stock.

INFRASTRUCTURE AND PERMITTING

Rattlesnake Hills is advantageously located near Casper, Wyoming, with access to skilled labor, drill contractors, services, and air travel. On-site infrastructure is minimal, but access roads (including County Road 321) provide direct entry into the project. High-voltage power lines lie just beyond the southern boundary. Water for exploration drilling has historically been sourced from ephemeral streams like Dry Creek. Temporary infrastructure (dams, pipelines, pumps) was established in prior campaigns, and future development would require securing sustainable water rights.

The project is permitted for exploration under an active License to Explore by Dozing (289LE) and Storm Water Discharge Permit. It spans BLM and State of Wyoming tenure, and future mine development will require a Plan of Operations, baseline environmental studies, and engagement with federal and state agencies. Seasonal activity restrictions apply due to Greater Sage-Grouse habitat (March 15–June 30), but current operations remain under the 5% disturbance threshold, facilitating continued advancement. No environmental liabilities or legacy disturbances exist.

NEWTON GOLD PROJECT, BRITISH COLUMBIA

The Newton Gold Project is an advanced-stage, bulk-tonnage gold exploration property located approximately 108 kilometers west-southwest of Williams Lake in south-central British Columbia, Canada. The project consists of 62 mineral claims covering 23,003 hectares and is being acquired by Axcap Ventures through a definitive agreement with Carlyle Commodities. It is characterized by a large, low to intermediate sulphidation epithermal gold-silver system hosted in a structurally active graben environment, with proven mineralization continuity over a substantial area and depth.

The property is accessible via paved Highway 20 followed by all-weather forestry service roads, with a total drive time from Williams Lake of roughly 2.5 hours. The property resides within the asserted traditional territory of the Tsilhqot'in National Government and benefits from an existing network of access roads and infrastructure. Although Carlyle does not hold surface rights, British Columbia law allows mineral title holders to conduct exploration with appropriate notice and access arrangements.

Nearby urban center

Williams Lake: A regional service center supporting the mining industry, offering accommodations, exploration contractors, and a transportation hub for the project.

HISTORY

Initial mining activity in the Newton area dates back to 1916, but the first formal exploration occurred in 1972 with Cyprus Exploration Corp. Subsequent exploration programs between 1981 and 1997 were conducted by various operators, including Rea Gold Corp. In 2004, High Ridge Resources conducted geophysical surveys and diamond drilling. In 2009, Amarc Resources advanced the project with extensive geophysics, mapping, re-logging of historic core, and over 27,944 meters of core drilling in 89 holes through 2012, culminating in a maiden resource estimate by Roscoe Postle Associates.

In 2022, Carlyle Commodities acquired the project and completed a resource update in collaboration with RockRidge Partners. A further 2,856 meters of diamond drilling across 10 holes and metallurgical testing were completed in 2023. In 2024, Axcap Ventures entered into an agreement to acquire 100% of the Newton Project.

Figure 6: Newton project location



GEOLOGY AND MINERALIZATION

The Newton Project lies within the Intermontane Belt of south-central British Columbia. The deposit is hosted in a rifted volcanic graben setting dominated by Late Cretaceous felsic volcanoclastic rocks of the Kasalka and Kingsvale Groups. These are intruded by a suite of subvolcanic felsic to intermediate intrusions, monzonites, and younger mafic dykes.

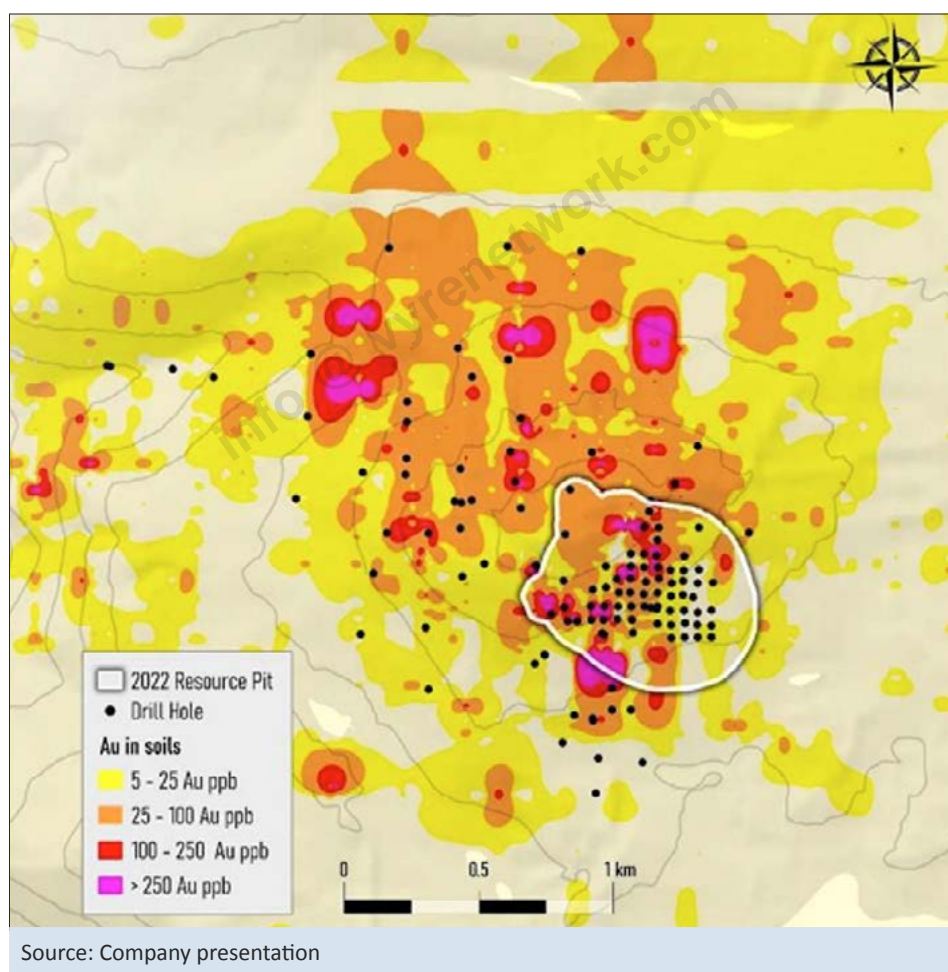
The mineralization is localized along steep, extensional fault zones within a graben complex. Two principal faults, the South Graben Fault (SGF) and the Newton Hill Fault (NHf), have been mapped over the core of the deposit and are believed to have controlled the emplacement of both intrusions and mineralized fluids. The sequence is cut by multiple generations of dykes and intrusive phases, resulting in complex host-rock interactions.

Gold and silver mineralization at Newton is predominantly disseminated and associated with quartz-sericite-siderite-pyrite and quartz-sericite-marcasite-pyrite alteration zones. Mineralization is hosted in felsic volcanoclastic units and, to a lesser extent, in monzonite porphyries and other intrusions. Sulfide minerals include pyrite, marcasite, chalcopyrite, sphalerite, galena, and arsenopyrite. Vein-hosted mineralization is volumetrically minor but present.

The mineralized zone has been defined across an area measuring roughly 1,000 x 900 meters and extends to depths of 685 meters. The broader hydrothermal system covers over 7 square kilometers and remains open in several directions, particularly northwest.

MINERAL RESOURCE

Figure 7: Large untested IP anomaly vs. current resource drill collars



As of December 1, 2024, RockRidge Associates prepared an NI 43-101 compliant Inferred Mineral Resource for the Newton Project with a total resource base sitting at ~900,000oz AuEq. Recovery factors used in the estimate were 80.3% for gold and 32.7% for silver. The mineral resource is constrained by a pit shell based on a Lerchs-Grossmann optimization assuming a 50° pit wall angle. Only blocks within domain wireframes, developed using Leapfrog Geo, and capped composite grades were included in the model. Much of the seven sq km hydrothermal system at Newton remains untested. (See Figure 7)

Historical drilling by Cyprus in 1972 intersected favourable felsic volcanics that were never assayed for gold, as exploration at the time was focused on copper. Re-analysis of historical core and targeted step-out drilling north and northwest of the deposit has already identified two promising zones: Halo and Sunrise.

Drilling in 2023 at Halo intersected mineralization 400 m north of the Newton resource, confirming historical intercepts and extending gold mineralization. At Sunrise, drill hole N23-98 intersected gold in altered felsic intrusions, indicating that the system extends to the northwest. These areas exhibit chargeability and magnetic anomalies that coincide with mapped felsic units, indicating a strong vector potential. Additional work recommended includes high-resolution topography (LiDAR), detailed structural modeling, and a 9,000 m drill campaign focused on resource growth and upgrading resource categories. If successful, these programs could significantly increase the size and quality of the current resource base and elevate Newton into a development-stage asset.

INFRASTRUCTURE AND PERMITTING

The project is accessible by road from Williams Lake via a series of paved and forestry roads. Internal access roads and drill pads are already established. The nearby power infrastructure is not currently connected to the site, and water sourcing will be evaluated as part of the upcoming development studies. All historic core is stored in secure facilities in Williams Lake and Redstone. The Newton Project is situated on mineral tenure governed by British Columbia's Ministry of Energy, Mines and Low Carbon Innovation. Carlyle, through Isaac Newton Mining Corp., holds 100% of the mineral rights. The property is subject to a 2% NSR in favour of Amarc and an additional 2% NSR on certain claims (purchasable for \$2 million).

Permitting in early stages and will require engagement with First Nations stakeholders, notably the Tsilhqot'in National Government. Future development activities will require Notice of Work applications for drilling and bulk sampling, as well as potential Environmental Assessment filings, depending on the scale of the operation.

FINANCIAL ANALYSIS AND VALUATION

As of June 2025, Axcap had approximately \$16 million in cash after raising \$15.8 million through a bought deal at \$0.20/share, which closed on February 3, 2025. The proceeds of the deal are intended to fund the company's portfolio exploration and development, as well as general working capital purposes. For the remainder of 2025, Axcap has budgeted 5,000 metres of drilling at Converse and an additional \$3 million for marketing activities. We believe that the Company is fully funded to carry out its current 2025 work plan.

To fund the project's development towards feasibility, we have assumed a total equity raise of \$40M in 2026/2027 (at a ~80% premium to the current share price). We expect the next major capital raise to be strategically timed to follow significant de-risking milestones such as updated resource estimates or preliminary economic results and potentially priced at a premium to current levels, given the company's expanding intrinsic value. Based on our gold price assumption (US\$2,700/oz), the Converse project averages \$1.44 billion in operating cash flow over its mine life. At spot prices (US\$3,300), the project would have the potential to generate a cumulative total of nearly \$2.72 billion in free cash flow over its 16-year mine life, including initial capital expense.

We are initiating coverage on AXCP with a \$0.60 price target, implying a ~330% upside from current levels. Our price target is based on a blended 0.5x multiple on the Company's NAV at our gold price assumptions (US\$2,700). We valued Converse at ~\$434 million (NPV5% from the conceptual DCF model). For Rattlesnake Hill and Newton, we have assigned an in-situ value of ~US\$27/oz (1% of our gold price assumption) (total resource base of ~1.94Moz), and a combined \$70M value to the rest of the portfolio, as detailed in the NAV breakdown included in Table 6 below.

Table 6: Axcap NAV breakdown calculation

Net asset value [C\$M]	NPV5% [C\$M]	NPV/sh [C\$]	Target NAV multiples	NPV5% [C\$M]		
Asset NAV			Converse, Nevada	0.4x	\$434	\$173
Converse, Nevada	\$434	\$0.93	RSH, Wyoming	1.0x	\$39	\$39
RSH, Wyoming	\$39	\$0.08	Newton, BC	1.0x	\$31	\$31
Newton, BC	\$31	\$0.07	Total corporate adj.	1.0x	\$39	\$39
Corporate Adj.			Overall NAV multiple	0.5x	\$542	\$282
Cash and cash eq.	\$12	\$0.03				
Cash from future equity raise	\$40	\$0.09				
ITM options and warrants	\$0	\$0.00				
Corporate G&A	-\$13	-\$0.03				
Total NAV (C\$M)	\$542	\$1.16				
Number of shares outstanding (million)		308				
Number of shares outstanding (million, FD: ITM)		308				
Number of shares outstanding (million, FD & FF: ITM)*		468				

Valuation	Multiple	NAVPS	
P/NAV5% valuation (100%)	0.5x	\$1.16	\$0.60
Implied stock price			\$0.60

Source: Couloir Capital, Capital IQ *Note: all \$ amounts are C\$ unless otherwise stated *FD: ITM & FF - ITM Fully Diluted & Fully Funded

As noted previously, we model a \$40 million equity raise at \$0.25/share. Accordingly, the Company's total NAV comes in at ~\$542M, or ~\$1.2/share on a fully diluted (in-the-money), fully funded basis. Considering the development status of Converse, we have assigned it a conservative target multiple of 0.4x NAV, while other projects in Axcap's portfolio were assigned 1x NAV given we already considered a fairly conservative in-situ valuation of US\$27/oz for Rattlesnake Hills and Newton.

PEER ANALYSIS

We've compared AXCP with ten (16) peer gold developers ranging in market capitalization from \$25M to \$1300M. As shown in Figure 8, Axcap trades at a deep discount to peers at US\$3/oz vs peer trading at an average of US\$47/oz. This points to in the direction that AXCP has yet to achieve market affirmation of the quality opportunity offered by its assets and most particularly the upside potential and de-risking opportunity in Converse.

Figure 8: EV/oz valuation AXCP vs. developer peers

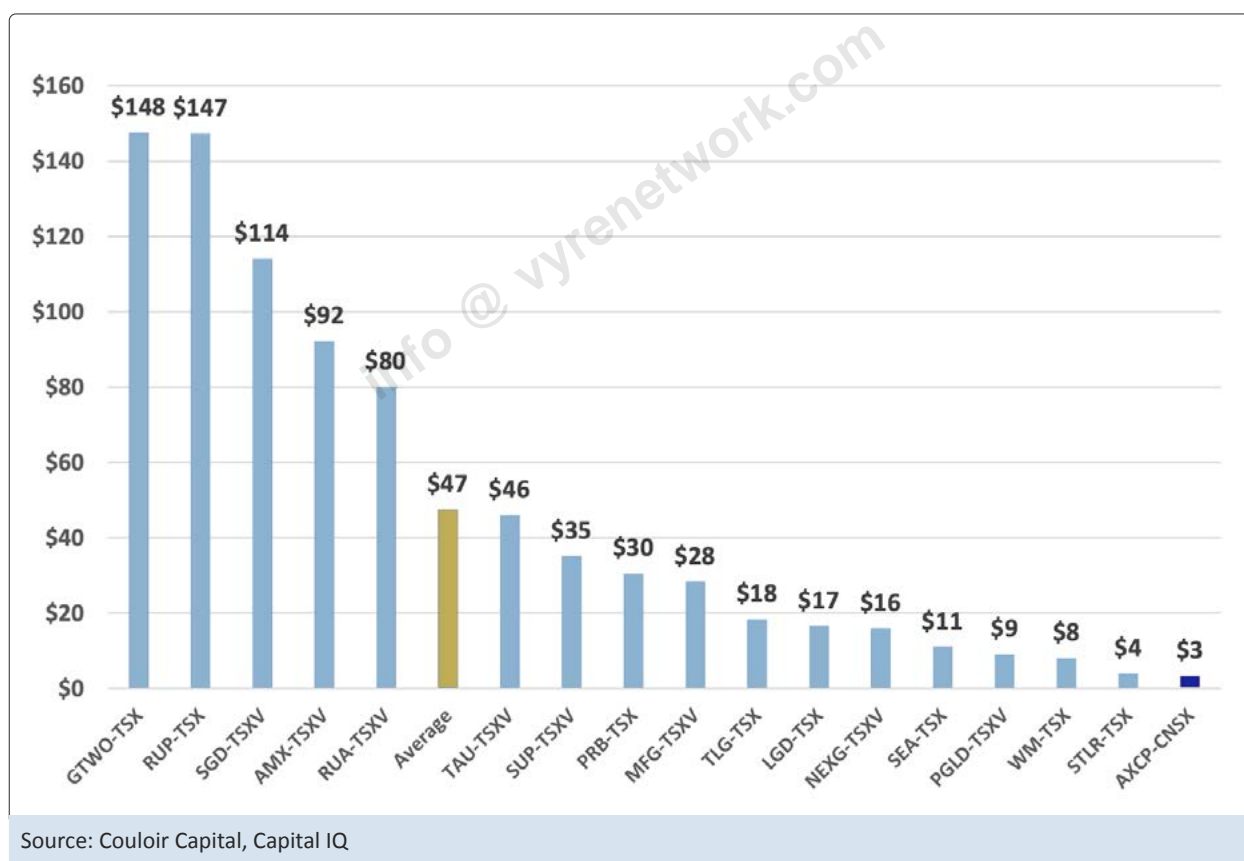


Table 7: EV/oz valuation AXCP vs. developer peers

Name	Ticker	Martet Cap [US\$M]	EV [US\$M]	Au [Koz] (M&I + I)	EV/oz [US\$]
G2 Goldfields Inc.	GTWO-TSX	\$525	\$502	3,402	\$148
Rupert Rsrc Ltd.	RUP-TSX	\$848	\$772	5,240	\$147
Snowline Gold Corp.	SGD-TSXV	\$1,045	\$1,008	8,830	\$114
Amex Exploration	AMX-TSXV	\$218	\$213	2,314	\$92
Rua Gold Inc.	RUA-TSXV	\$42	\$39	483	\$80
Thesis Gold Inc.	TAU-TSXV	\$185	\$161	3,507	\$46
Northern Superior	SUP-TSXV	\$137	\$133	3,779	\$35
Probe Gold Inc.	PRB-TSX	\$341	\$307	10,084	\$30
Mayfair Gold Corp.	MFG-TSXV	\$132	\$126	4,454	\$28
Troilus Gold Corp.	TLG-TSX	\$209	\$198	10,810	\$18
Liberty Gold Corp.	LGD-TSX	\$118	\$101	6,109	\$17
NeXGold Mining Corp.	NEXG-TSXV	\$92	\$102	6,398	\$16
Seabridge Gold	SEA-TSX	\$1,655	\$1,979	180,338	\$11
P2 Gold	PGLD-TSXV	\$17	\$18	2,000	\$9
Wallbridge Mining	WM-TSX	\$52	\$44	5,463	\$8
STLLR Gold Inc.	STLR-TSX	\$74	\$64	16,459	\$4
Average					\$47
Axcap Ventures Inc.	AXCP-CNSX	\$32	\$27	7,940	\$3

Source: Couloir Capital, Public Disclosures

RECOMMENDATION

We are initiating coverage on Axcap with a Buy rating. Overall, Axcap provides a very attractive entry point into a potential low risk, low complexity project in a Tier 1 mining jurisdiction. Potential upcoming catalysts include: 1) Assay results from the ongoing exploration drill program at Converse especially from step-out holes at depth and outside the current resource zone; and 2) Metallurgical test results from Converse and further optimization work on SART; 3) Preliminary Economic Assessment (PEA) on Converse expected in 2026. We initiate with a Buy recommendation.

APPENDIX 1: RISK FACTORS

Our price target and recommendation are based on projects' operations continuing without interruptions. Mining is an inherently risky business, where technical, political and social issues can influence operations. We consider the following as risks to our derived price target.

- 1. Commodity prices:** All mining projects are affected to varying degrees by changes in commodity prices. Rising or falling commodity prices have a direct impact on earnings, cash flow, and NAV. Commodity prices also impact operating, capital spending and exploration decisions, which may have longer-term impacts. As per our analysis, we view Converse to be potentially infeasible at much lower gold prices than our long-term gold price assumptions.
- 2. Resource risk:** With a historical resource of ~5.9Moz Au, Converse inherently carries a relative lower risk.
- 3. Operational risk:** Operating issues are inherent to all mining/exploration activities. Inclement weather conditions, as an example, can impact operations, leading to inaccessibility to the project site, cost increases, and/or resource reductions (temporary or permanent). Being a development stage company, we expect limited operational risk for Axcap at this stage.
- 4. Permitting risk:** Permits are essential for all development projects and mining operations. Delays in obtaining or refusal of critical permits can have significant ramifications on the valuation of a project or operation. Being a development stage company, we expect medium permitting risk for Axcap at this stage.
- 5. Liquidity risk:** Access to capital is always a risk, especially for a junior exploration play, as the companies are in the cash burn stage and consistent capital is required to continue funding the drilling/project development. The funding for these companies is heavily dependent on capital markets. We see limited liquidity risk at Axcap for now, as the Company is fully funded to carry out its 2025 work plans.
- 6. Political/country risk:** Every country poses unique risks. Governments can change mining and/or environmental laws and can implement tax or royalty changes, which could potentially hurt Axcap's future earnings, cash flow, and NAV. We view limited risk for Axcap on this front considering Nevada's political and social stability, and well-established rules and regulations.

APPENDIX 2: BOARD OF DIRECTORS AND MANAGEMENT

BOARD OF DIRECTORS

Desmond M. Balakrishnan — Independent Director

Balakrishnan brings extensive capital markets and corporate governance expertise to the board. He serves as Executive Director at Planet Ventures Inc. and Independent Director at Strategem Capital Corp. since 2020, with past board roles at Northern Dynasty Minerals dating back to 2015. He chairs both the Audit and Governance Committees at Axcap, shaping financial oversight and board structure, and has held these leadership roles since late 2020. With a law-based background in securities law, he anchors the board in regulatory and compliance discipline. He also holds roughly 0.6% in company equity, aligning his oversight with meaningful skin in the game.

Mario Vetro — Co-Founder & Independent Director

A veteran in resource capital markets, Vetro co-founded K92 Mining via Vancouver's Commodity Partners, leading to a world-class discovery and operation in Papua New Guinea. He specializes in structuring and raising growth capital for mining companies and uses this deep resource-finance background to help guide Axcap's M&A and funding strategy. His 6.7% stake underscores his alignment with shareholder value creation.

Tyron Breytenbach, P.Geo — Co-Founder & Independent Director

Breytenbach brings a dual strength; technical and capital markets. He spent over a decade in geology including work in the major Bushveld Complex before transitioning to roles with Cormark Securities, Stifel Canada, and later Aris Mining. He now chairs Axcap's Audit Committee, governance and compensation functions—reflecting trust in his judgement across both financial and technical domains. His approximately 5.9% insider hold reinforces his long-term alignment.

Luis Zapata — President & Director

With 18 years in resource finance—particularly Latin America—Zapata has served as CEO of Vista Gold (Peru), Executive Chair of Silver X Mining, and run LatAm equities at Canaccord Genuity. At Axcap, he handles both board and executive duties to tie together financing strategy with execution.

Carson Seabolt — Independent Director

Seabolt joined the board in mid-2021 and brings general corporate oversight. While specific sector experience is less detailed publicly, his presence provides independent perspective and board pluralism.

Robert Dubeau — Chief Executive Officer & Director

Dubeau took the helm as CEO in August 2023, having previously served as President since mid-2021. He brings a strong foundation in finance, audit, operations, and corporate governance. Before Axcap, he built leadership experience across real estate and private businesses and held board roles at First Uranium and United Lithium. His background ensures that strategic decisions are informed by a blend of financial acumen and operational discipline.

MANAGEMENT

Robert Dubeau — Chief Executive Officer & Director

Description included in Board of Directors section

Luis Zapata — President & Director

Description included in Board of Directors section

Blake McLaughlin, P.Geo — VP, Exploration

McLaughlin directs Axcap's field and technical efforts, drawing from his tenure as Chief Geologist — Near-Mine Exploration at Argonaut Gold. He's led discovery-focused drilling programs at multiple projects, shaping geological models with a hands-on, technical approach that's essential for advancing resource definition.

Kevin Ma — Chief Financial Officer

With over 15 years in mining finance, Ma joined Axcap following roles as Director of Finance at Alexco and CFO at First Cobalt. His expertise in capital structuring, cost management, and financial oversight supports Axcap's disciplined model of acquiring undervalued assets and moving them efficiently through development. He also founded Skanderbeg Financial Advisory, applying his skills in advisory and financial strategy.

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