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Research Note

ESGold – Continuing to Gain Momentum at Montauban

Riley Venton, P.Eng | Equity Research Analyst | rventon@atriumresearch.ca | 705-927-0466
Ben Pirie | Equity Research Analyst | bpirie@atriumresearch.ca | 647-688-9661

Rating	Target Price
BUY	**$1.30**
Unchanged	*Unchanged*

September 25, 2026

Disseminated on Behalf of ESGold Corp.

All figures in CAD unless otherwise stated

ESGold Corp.	**ESAU:CSE**
Rating	BUY
Target Price	$1.30
Return to Target	150%

Market Data	
Share Price	$0.52
Average Daily CSE Volume (K)	106.7
FD ITM Shares (M)	117.9
Market Cap ($M)	$61.3
Cash & Marketable Securities ($M)	$18.4
Debt ($M)	$0.4
Enterprise Value ($M)	$43.2

Production & Financials	**2026E**	**2027E**	**2028E**
Recovered (Koz Au)	0.5	3.0	3.0
Recovered (Koz Ag)	33	203	205
Revenue ($M)	$4.2	$27.9	$30.2
OCF ($M)	$0.8	$12.4	$13.2

Valuation	
P/NAV	0.3x
Peers P/NAV	0.6x
P/CF (2027E)	3.5x
Peers P/CF (2027E)	5.5x

Please refer to the applicable disclosures on the back page
Source: Atrium Research, CapitalIQ, Company Documents

ESGold Corp. is a fully permitted, fully funded, pre-production mining company advancing a scalable clean mining model across North and South America. The Company's flagship Montauban Gold-Silver Project in Quebec is under construction with production anticipated in 2026. ESGold is also advancing a joint venture in Colombia, validating one of South America's most prolific gold regions for tailings reprocessing and systematic exploration. With a dual-track strategy of cash flow today and discovery tomorrow, ESGold is building a platform for clean, sustainable growth and long-term shareholder value.

What you need to know:

- ESGold has completed ~2,030m of its 5,000m drill program and has consistently observed sulphide-bearing intervals.
- ~400 core samples are pending assays to determine the grade of the promising core samples.
- In addition, an expanded ANT survey and updated 3D model has outlined property-wide opportunities, and commissioning continues to progress.
- In our view, ESAU is nearing a key inflection with drill results and first production both on the horizon.

Yesterday, ESGold Corp. (ESAU:CSE, ESAUF:OTC, Z7D:FSE) provided an update on its 2026 diamond drill program at Montauban. Drilling has now surpassed 2,000m of the planned 5,000m program, which has repeatedly encountered sulphide-bearing intervals. At the same time, commissioning is advancing, and district-scale knowledge is evolving, as ESAU approaches a key inflection point. **We are maintaining our BUY rating and target price of $1.30/share on ESGold.**

Drilling has intersected multiple sulphide-bearing intervals. As of September 15th, ESAU has drilled 19 holes (~2,030m) and continues to intersect alteration, quartz-carbonate veining and locally sulphide-bearing intervals. Sulphides include pyrite, pyrrhotite, and galena. With ~400 core samples now pending assays, we patiently await upcoming results, particularly given what the Company is seeing in the core. In addition, nine holes have intersected historic underground workings or voids, which will aid ESAU in reconciling results with historic mine data. The 5,000m drill program remains ongoing as the Company looks to test continuations of the mineralized system outside and below the historic mine workings.

ANT survey expanded. On September 15th, ESAU announced the completion of its expanded survey and updated property-wide 3D model, which defined a broader mineralized system and identified new exploration opportunities. The survey was expanded to the north beyond the historic mine area and now covers ~70km^2 (Figure 3). Favourable geology has been traced toward the east and southeast, identifying deeper structural corridors and new targets both laterally and at depth. ESAU now views the southern and eastern corridors as priorities. The integrated 3D model is a critical tool that ESAU continues to improve upon with each new piece of data to enhance its understanding of the district-wide opportunity at Montauban. We discuss the ANT survey release in further detail below.

Key equipment continues to arrive for commissioning. On September 10th, the Company announced the arrival of key processing equipment as commissioning advances at its 1Ktpd facility. This included a Falcon Gravity Concentrator and a series of industrial thickeners. The main mill infrastructure is nearly complete, while major equipment continues to arrive at site to facilitate potential first production by year-end. We discuss the update in further detail below.

Our Take

ESAU continues to push forward on all fronts, and in our view, is approaching a key inflection point. While the 3D model has pointed to the significant exploration opportunity at Montauban, drill results ultimately need to prove out this upside, and results are on the way. At the same time, commissioning progress is providing increased visibility on cash coming in the door, which will position ESAU for its aggressive exploration plans.

Catalysts

- 5,000m Drill Program – Ongoing
- Construction Completion/First Production – YE 2026

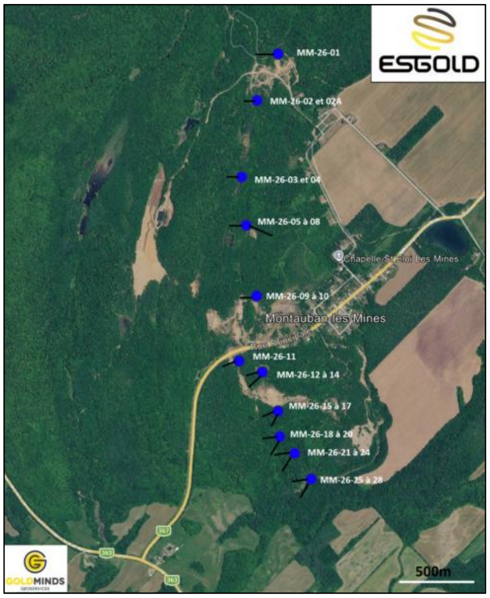

Figure 1: 2026 Drill Hole Locations
(Source: Company Documents)

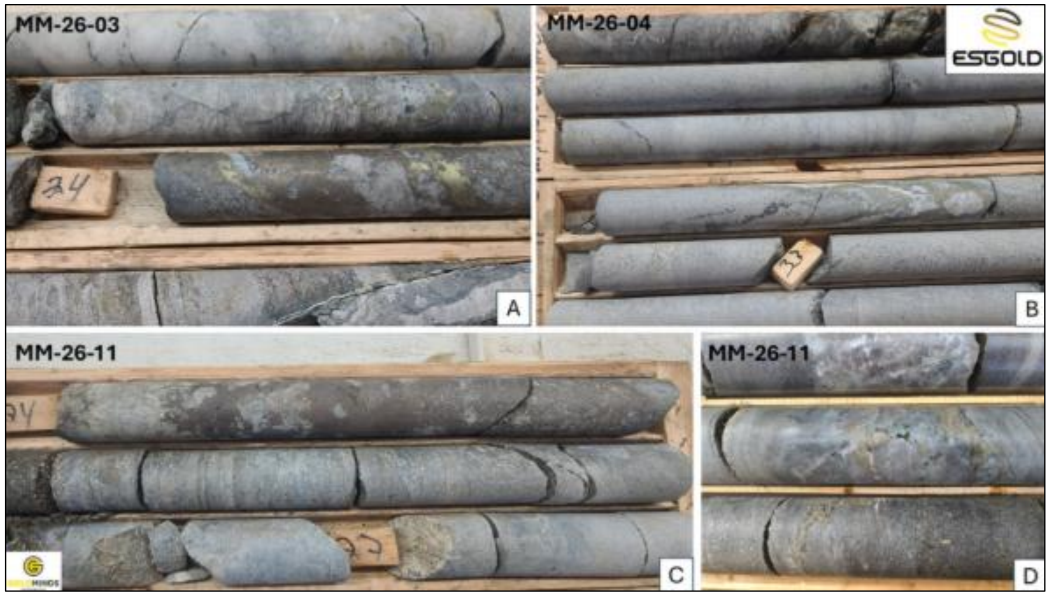

Figure 2: Drill Core Pending Assays
(Source: Company Documents)

Expanded ANT Survey and Updated 3D Geological Model

On September 15th, ESGold announced completion of its expanded Phase 2 Ambient Noise Tomography survey (ANT-2) and an updated property-scale 3D geological model at Montauban. The survey was completed across the northern portion of the property, deploying 200 three-component geophone stations at an average spacing of ~400 to 600m, which recorded ambient seismic noise continuously for 32 days between March and April. The resulting shear-wave velocity model was evaluated across 1,251 grid nodes and provides geological constraint from ~86m to ~1.2km below surface.

The updated 3D model integrated the ANT interpretation with 1,637 drillholes, including 90 additional historical holes newly incorporated into the database, 1,707 regional multi-element ICP samples, lithology, historical assays, structural interpretation and regional mapping. The integrated geological interpretation now covers ~70km² of the Montauban Project.

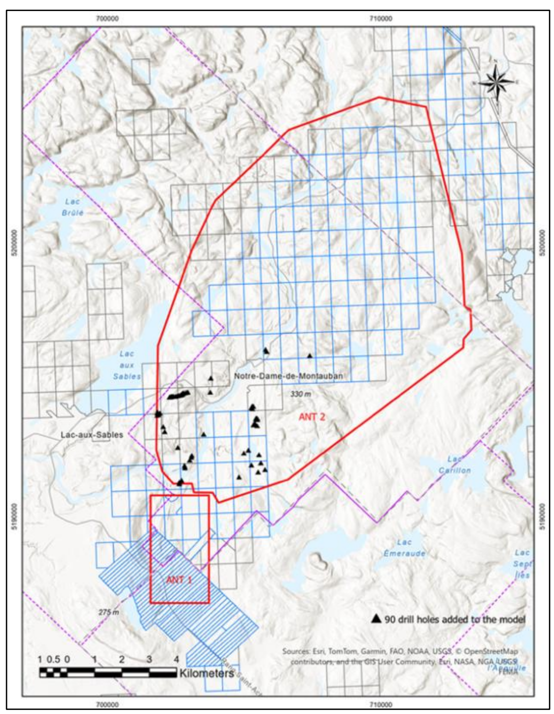

Figure 3: Expanded Ambient Noise Tomography (ANT) Survey Coverage
(Source: Company Documents)

The updated model highlighted three areas of interest. To the south, favourable units and modelled mineralized shells can now be evaluated beyond the historic workings. To the east and southeast, units associated with known Montauban mineralization can be traced into less-explored ground. To the north, the expanded ANT-2 area represents a large, comparatively under-tested domain. The southern and eastern corridors were identified as the priority exploration areas.

ESGold expects the model to serve as the technical foundation for 2027 exploration planning, proceeding through database validation and target refinement, property-scale target ranking, and targeted drilling of the highest-ranked hypotheses.

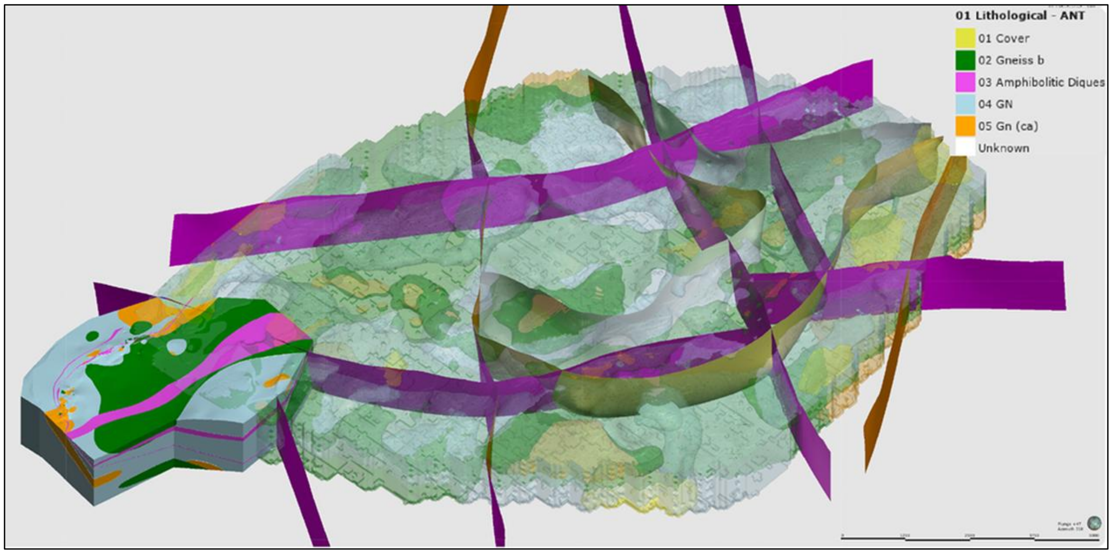

Figure 4: Updated Montauban 3D Geological Model (Source: Company Documents)

Montauban Commissioning Update

On September 10th, ESGold announced the arrival of additional processing equipment at Montauban, including a Falcon gravity concentrator manufactured by Sepro Mineral Systems and a series of industrial thickeners supplied through A.M. King. The Falcon unit recovers fine liberated gold and silver through high-speed centrifugal separation, while the thickeners handle solid-liquid separation within the circuit, supporting process control and reducing fresh-water requirements. Both are now moving into installation, integration and commissioning.

The Company noted that the main mill infrastructure is nearly complete and commissioning activities have commenced across the facility, which is permitted for up to 1Ktpd and built around a Merrill-Crowe recovery circuit. Management noted the transition from construction into commissioning and operational preparation is well underway.

Figure 5: Sepro Falcon Gravity Concentrator at Site (Source: Company Documents)

Figure 6: Industrial Thickeners at Site (Source: Company Documents)

Why We Like ESAU

- Montauban is fully permitted and funded, with first production targeted for H2/26 at a 1Ktpd mill processing five legacy tailings sites.
- Tailings reprocessing avoids drilling and blasting, with operating costs of ~C$35/t and forecast ~72% margins, supporting strong cash flow.
- Near-term cash flow enables internally funded exploration across the extensive land package, turning new ounces into production feed without additional mill capex.
- ESGold trades at ~0.3x NAV and ~3.5x 2027E cash flow versus peers at ~0.6x NAV and ~5.5x P/CF, implying room for re-rating as production approaches.

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58

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