

**VALUATION ANALYSIS AND DEVELOPMENT PLAN FOR
THE TELEGRAPH MINE**

SUMMARY

Updated 2/23/2026

FORWARD LOOKING STATEMENTS

This presentation contains forward-looking statements, including statements regarding future exploration, development plans, operating results, costs, capital requirements, permitting, timelines, and the potential economics of the Company's projects. These statements are based on management's current expectations, assumptions, and estimates as of the date of this presentation.

Forward-looking statements are inherently subject to risks and uncertainties that may cause actual results to differ materially from those expressed or implied. These risks include, among others: the ability to obtain financing and permits; geological, technical, and metallurgical uncertainty; operating and cost variability; regulatory and environmental considerations; access and infrastructure constraints; market conditions; and other risks customary to mineral exploration and development.

Forward-looking statements are not guarantees of future performance. Readers are cautioned not to place undue reliance on such statements. The Company undertakes no obligation to update or revise forward-looking statements, except as required by applicable law.

Technical and geological information referenced herein is supported by historical data and independent studies. Any estimates or interpretations of mineralization or project potential are conceptual in nature and have not been classified as mineral resources or reserves unless explicitly stated in a compliant technical report.

INTRODUCTION

The Telegraph Mine is a past producing, high grade gold and silver system located near Halloran Summit in San Bernardino County, California. It consists of **patented mining claims (private land)** with **confirmed vested mining rights, extensive historic production and exploration data**, and a **high-grade vein system** that remains **open along strike and at depth**. The site lies *within the Mojave National Preserve* but is easily accessible, being **only a few hundred yards from Interstate-15**.

Project Location and Access in the Mojave Preserve



Figure 1: Aerial view of the Telegraph Mine site, showing location of patented claims (in red) between Pimm NV (31 miles) and Baker CA. (19 miles) on I-15. The mine site is 75 miles from Las Vegas.



Figure 2: Aerial view of the Telegraph Mine site, showing mine workings and the approximate patented claim boundaries (outlined in red). The I-15 highway is visible on the left (2.5 miles on dirt road from claims to “Yucca Grove” – Halloran Summit I-15 exit - and 200 yards direct route to I-15) indicating the proximity and easy access from the interstate.

The Telegraph Mine is situated in the Eastern Mojave Desert, inside the Mojave National Preserve, roughly 2.5 miles from the Halloran Summit exit on I-15.

Access advantages are significant – the property is about a 65-minute drive from Las Vegas and 200 yards off the freeway, facilitating the transportation of equipment, supplies, and ore. The climate at ~3,800 ft elevation is a temperate high desert environment, which is ideal for **year-round mining operations**.

The site consists of **three patented mining claims** (private land).

The patented status means the core project area is privately owned, eliminating federal land-use uncertainty; Mojave controls mining and development rights under a long-term mineral lease.

Being inside a National Preserve introduces some **regulatory constraints**, but the patented claims and vested rights mitigate most issues. Under the Preserve’s enabling legislation, mining is permitted “subject to valid existing rights.”

Geologic Setting: The deposit is an epithermal gold-silver quartz vein system hosted in Proterozoic and Mesozoic granitoids along regional wrench-fault structures. The main vein strikes NE-SW and dips moderately (~45–50°) southeast, occurring as an echelon tension gash fillings along a shear. Gold occurs with quartz, pyrite, and minor silver (high Au/Ag ratios noted). Figure 2 shows regional geology; the Telegraph vein is marked near a major fault (red dashed line) and associated with Tertiary volcanic-intrusive activity (10.3 Ma K-Ar date on vein minerals). The geology suggests strong potential for down-dip extensions of the vein beneath and beyond historic workings - Lange, 1988 projected significant grades to ~1500 ft depth.

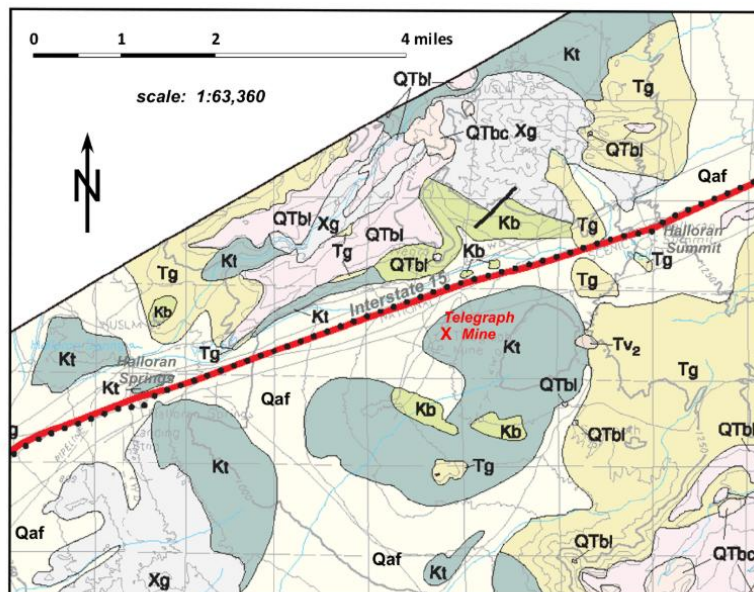


Figure 14. General geology of the central Halloran Hills (Telegraph Mine area) (from Miller *et al.*, 2007, U.S.G.S. Bul. 2160, Plate 1).

Figure 2: Geologic map of the central Halloran Hills including the Telegraph Mine area (red “X”). The mine is hosted in Mesozoic granitic rocks (K_b, K_t) cut by Tertiary structures; QTb/TV units are Tertiary volcanics. Regional thrusts/faults (black lines) provided pathways for hydrothermal fluids.

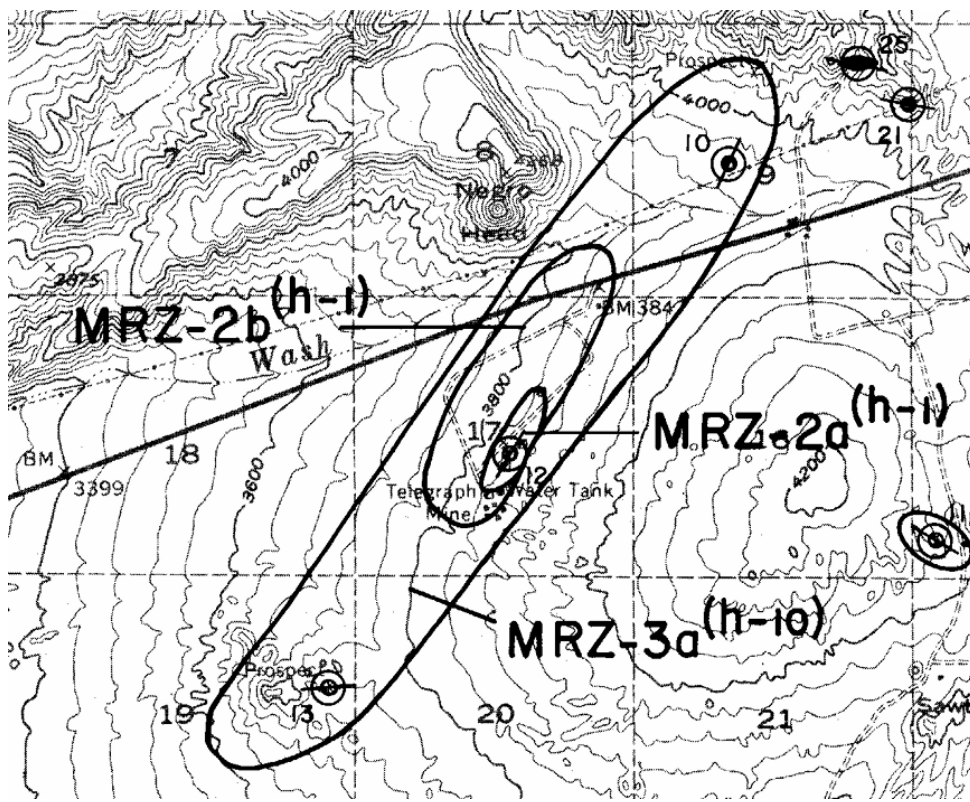
STATE MINERAL RESOURCE CLASSIFICATION (CALIFORNIA SMARA / DMG)

The Telegraph Mine is located within an area classified by the California Division of Mines and Geology (now California Geological Survey) as a Mineral Resource Zone MRZ-2a, indicating the presence of demonstrated, economically significant mineral resources as defined under California’s Surface Mining and Reclamation Act (SMARA). This classification is based on documented historic production, detailed geologic mapping, and multiple independent technical studies evaluating the Telegraph vein system and surrounding mineralized structures.

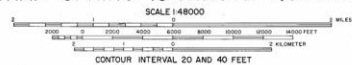
In addition, strike-projected extensions of the Telegraph vein system beyond the core mine area are classified as MRZ-2b, reflecting inferred but geologically credible mineral resource

potential supported by regional structural continuity and historic exploration data. These classifications were published by the State of California in an independent Open-File Report prepared specifically to inform land-use planning and mineral resource protection decisions.

Importantly, MRZ classifications are not mineral resource or reserve estimates under NI 43-101 and are not used herein to quantify ounces or economic value. Rather, they provide independent, state-level confirmation that the Telegraph Mine represents a bona fide mineral resource area with demonstrated economic relevance, supporting the project's historical legitimacy, continuity of mineralization, and suitability for phased redevelopment consistent with SMARA and County permitting frameworks.



MINERAL LAND CLASSIFICATION MAP
HALLORAN SPRING 15-MINUTE QUADRANGLE



MINERAL DEPOSITS FORMED BY HYDROTHERMAL PROCESSES
 (Gold, Silver, Copper, and Lead)

PREPARED IN COMPLIANCE WITH THE SURFACE MINING AND RECLAMATION ACT OF 1975, ARTICLE 4, SECTION 2761

John A. Haro
 STATE GEOLOGIST

VESTED MINING RIGHTS AND PERMITTING STATUS

One of the most critical recent developments is San Bernardino County's confirmation of **vested mining rights** for the Telegraph Mine. In October 2024, the County Planning Commission formally determined that the mine's rights were established prior to modern regulations, allowing it to operate without a new Conditional Use Permit (mining permit).

Under county code, if a mining operation existed before January 1, 1976 (the enactment of California's Surface Mining and Reclamation Act, SMARA) and has not been abandoned, it is exempt from needing a current mining permit.

This status greatly enhances the project's value by removing a major hurdle – the lengthy and costly process of obtaining a new mining permit and full CEQA environmental impact review. In effect, Telegraph's owners can resume mining under the old entitlement, *provided they comply with SMARA's requirements* such as having an approved reclamation plan.

It is important to note that vested rights **do not mean “no regulation”** – the project must still submit a reclamation plan to the County for approval and comply with reclamation standards and any applicable environmental mitigation.

However, the scope of environmental review is much narrower (focused on the reclamation plan) and the risk of permit denial is largely eliminated. This reduces uncertainty for investors or buyers, as the project is effectively “shovel-ready” from a legal standpoint. The vested rights status, combined with the patented land, means Telegraph can potentially fast-track into production compared to a grassroots project. **From a valuation perspective, this lowers the discount rate or risk-factors applied to the project**, since regulatory/permitting risk is a major component of project risk in California. In practical terms, the vested right could shave years off the development timeline and save millions in permitting costs, directly increasing the mine's net present value and attractiveness to strategic partners.

MINERAL LEASE AND OPERATING CONTROL

Mojave Gold Mining Corporation controls 100% of the mining and development rights to the Telegraph Mine through a long-term mineral lease with the owner of the patented claims. The lease grants Mojave exclusive and unrestricted rights to explore, mine, process, and sell minerals from the property using any mining method, subject only to applicable regulatory approvals.

The lease term remains in effect so long as mining or development activities are ongoing or the property is capable of commercial production, providing continuity of tenure through phased development, underground expansion, and potential long-term operations.

Economic obligations under the lease consist of modest annual payments and a sliding-scale net smelter return royalty that increases with gold price. Annual payments are creditable against future royalties, and the overall royalty burden is consistent with industry

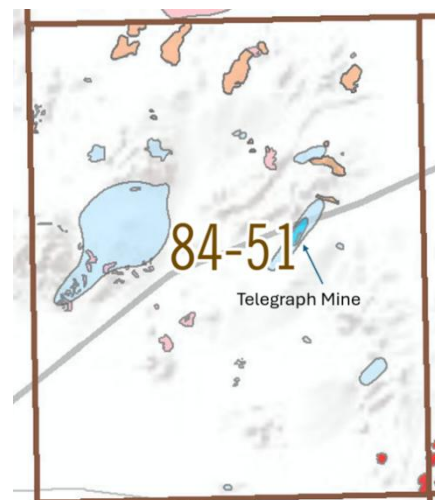
norms for patented, high-grade vein systems. These obligations have been incorporated into operating cost and valuation assumptions.

The lease does not impose minimum production requirements, does not restrict offsite processing, and does not limit development sequencing. As a result, the lease fully supports the Company’s phased, capital-disciplined development strategy, including Phase 0 selective mining, subsequent underground development, and potential strategic transactions.

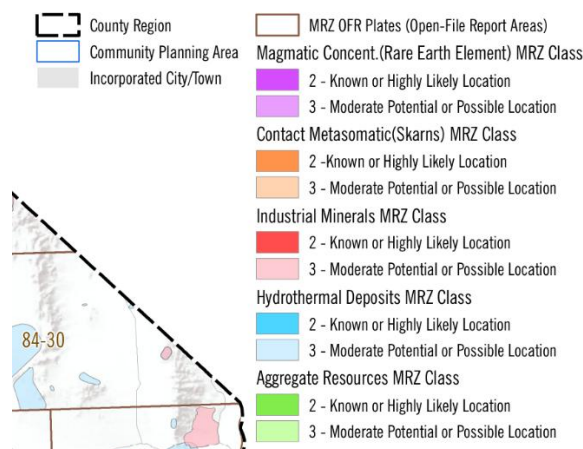
COUNTY MINERAL RESOURCE POLICY CONTEXT

San Bernardino County’s Countywide Plan further recognizes the Telegraph Mine area as a designated Mineral Resource Zone under Policy Map NR-4, which incorporates Mineral Resource Zone (MRZ) classifications prepared by the California Department of Conservation. The project area is mapped within zones identified as having known or potential mineral resource significance for hydrothermal deposits.

While the Countywide Plan mapping is a policy-level planning tool rather than a technical resource estimate, it reflects the County’s formal acknowledgment of the area’s mineral resource value and provides land-use context consistent with the project’s historic mining activity, patented land status, and vested mining rights. This policy recognition supports the reasonableness of continued mining use at Telegraph and aligns with the County’s obligation under SMARA to safeguard access to significant mineral resources where feasible.



Policy Map NR-4 Mineral Resource Zones



HISTORICAL MINING AND PRODUCTION (1930–1940)

The Telegraph Mine has a rich history of high-grade gold production, which provides a foundation for its valuation. Discovered in 1930 after a high-grade vein was exposed during highway construction, the mine quickly became the principal gold source in the Halloran Springs district. Early operators extracted exceptionally rich ore: a 2-inch streak of ore reportedly assayed at 18.5 oz/ton Au and 25 oz/ton Ag.

The main production period was 1932–1942, when several operators (O. P. Riker, then Judge Nosser and associates) worked the veins via small shafts and an adit. Recorded production through 1948 totaled **2,749 tons of ore**, yielding about **2,559 ounces of gold and 5,423 ounces of silver**. Notably, the **average grade** of all ore shipped in that period was extremely high – approximately *0.93 oz/ton gold (nearly 32 g/t)*, along with *~1.97 oz/ton silver*

In the peak years, such as 1940, the grades were even higher (e.g. 452 tons in 1940 produced 931 oz Au, averaging *~2.06 oz/ton*). By the early 1940s the mine had produced gold worth around **\$100,000** at historical prices– a substantial sum for that era (when gold was \$35/oz or less). This confirms that **significant gold was present and successfully extracted**, derisking the deposit’s metallurgy and ore continuity to some extent.

The historical workings consist of at least three inclined shafts (two exceeding 100 ft depth) connected by hundreds of feet of drifts. Mining focused on a quartz-calcite vein 3–8 feet thick over a strike length of a few hundred feet. The early miners hand-sorted high-grade ore: about 909 tons were shipped directly to a smelter (those likely averaged *>1 oz/ton Au*), and lower-grade ore was milled on site or at a nearby custom mill.

A small flotation plant on the property produced concentrates reported to carry \$300–\$400 of gold per ton (equivalent to 15–20 oz/ton at 1930s prices). By 1942, mining halted (due in part to World War II and the Gold Reserve Act), leaving the site idle by 1948.

Historical underground mining at Telegraph focused on selective stoping of high-grade vein material, resulting in the removal of mineralized rock in localized zones, particularly near existing shafts and drifts. This historical activity introduces uncertainty regarding tonnage continuity and grade distribution in the immediate vicinity of prior workings. However, it also provides direct evidence that economically recoverable mineralization existed, was accessible, and was successfully extracted using conventional mining methods.

Importantly, historical stoping was limited in lateral and vertical extent relative to the interpreted strike length and depth potential of the vein system. As a result, while localized depletion is expected near old workings, substantial portions of the mineralized system remain untested, partially tested, or undeveloped.

The **implication for valuation** is that Telegraph is a proven producer of high-grade gold. The presence of *extensive underground workings and remaining mineralized material* indicates that only a portion of the vein system was mined out. In fact, records from 1953 noted that “considerable

tonnage of ore ranging \$8–\$14 per ton remain in the mine” at that time – which, using the fixed \$35/oz gold price of the era, corresponds to about 0.25–0.4 oz/ton (8–14 g/t) gold still in situ. This remaining ore was likely left because it was below the cutoff grade of the high-grade operations, but it has significant value at today’s gold prices. Historical production not only provides a **grade baseline** (demonstrating that the vein consistently carried multi-ounce grades in places) but also suggests that **metallurgy is straightforward**. This history of production and favorable metallurgy reduces the technical risk and supports higher valuation multiples.

EXPLORATION HISTORY AND RESOURCE ESTIMATES (1960–2010)

From the late 1960s onward, the Telegraph Mine has been examined by multiple geologists and companies, generating a trove of exploration data. These studies, while historical (and thus not NI 43-101 compliant by today’s standards), **consistently indicate a significant gold resource remains**. Importantly, many of these estimates corroborate each other, and several were later accepted under oath in court proceedings – lending credibility to the data.

Below is a summary of key exploration and resource evaluations:

- **1968–69 Drilling (Tomo Ito)** – Geologist Tomo Ito conducted a USGS-sponsored core drilling program (Office of Mineral Exploration project) with 15 holes totaling ~2,079 feet. Most holes were along the *Telegraph and South Telegraph* claims. Although many holes had poor core recovery in the fractured vein, Ito was able to delineate an **“ore reserve” of ~72,750 tons grading 0.51 oz/ton Au and 1.16 oz/ton Ag** (diluted) in the drilled area. This assumed a 4 ft average vein width, 150 ft down-dip extent, and 2,000 ft of strike, with a 28% tonnage reduction for uncertainties. Ito’s drilling confirmed that a strong vein structure extends to at least 150 ft depth, and he noted that core assays were likely **underestimating grade** due to loss of “fine heavies” (gold) in the drilling sludge. Ito’s work essentially reaffirmed that a substantial high-grade vein persisted below the old workings.
- **1979–1980 Evaluation (Joseph Owens)** – To confirm Ito’s findings, geologist Joseph Owens was hired by a joint venture (Telegraph Mine JV/Gold Technics). Owens conducted detailed underground mapping and channel sampling of exposed ore zones. His samples returned grades ~0.42 oz/ton Au and 1.3 oz/ton Ag, closely matching Ito’s average. Owens concluded that Ito’s estimate was “extremely conservative.” He reaffirmed the **72,750 tons @ ~0.5 oz/ton Au** as a measured (or “proven”) reserve and then projected the extensions. Owens estimated there is **~540,000 tons of inferred ore** along the vein (to 450’ depth over 2,000’ strike) at similar grade (~0.50 oz Au, 1+ oz Ag per ton). That equates to roughly **270,000 ounces of gold and 626,000 ounces of silver in inferred resources**. Furthermore, Owens speculated the *total potential* (with further depth extension) could exceed **1.0 million tons** after dilution. His report valued the measured 72.7k tons at ~\$26.6 million (at 1980 gold/silver prices) and the inferred 540k tons at ~\$146 million – highlighting the economic scale if those ounces are realized. Owens’ work expanded the confidence that the vein continues well below historic workings and along strike, with open-ended mineralization.

- **1981 Resource Verification (Dr. Mead L. Jensen)** – Dr. Meade Leroy Jensen, a highly respected economic geologist (and co-author of the textbook *Economic Mineral Deposits*), was engaged by the owners in 1981 to independently evaluate the deposit and prior data. Jensen visited the site, conducted his own sampling (22 verification samples) across veins and alteration zones, and reviewed a new deep drill hole (450' depth) that intercepted the vein at ~305' and ~364' below surface. **Jensen fully endorsed Ito's and Owens' work**, even testifying later that Ito's 72k ton reserve was effectively proven. He calculated, using slightly more conservative figures, a base **resource of ~300,000 tons to 450' depth, at ~0.354 oz/ton Au (plus ~1.3 oz/ton Ag)**. This corresponds to about **106,000 ounces of gold**. Jensen noted this was likely just a starting point – he observed that extending the vein to greater depths (and along the known 2,000' strike) should “more than double” the reserves. In fact, he opined that the vein could extend to 1,000 ft or more (consistent with a mesothermal system) and later stated in court that *500,000+ tons* of “probable” ore were easily possible with depth extensions. Jensen performed a rudimentary economic analysis: at \$400/oz gold (1981 prices), 300k tons of 0.354 oz material would yield \$34.8M gross, and after assuming 70% recovery and ~\$60/ton operating cost, a **\$17M net profit** from the first 300k tons. He further estimated that extending to 600k tons would double the profit to ~\$35M. Jensen's involvement is a strong validation of the deposit's credibility – as noted in a modern technical report, “Jensen was an icon of economic geology... he clearly supported the development of the Telegraph property.”
- **1981–1982 Drilling (Telegraph Mine Associates)** – A partnership called Telegraph Mine Associates (TMA) took over in 1981 and initiated an intensive drilling campaign to better delineate a mineable reserve for production. They drilled **55 percussion holes (1,984 feet total) on tight 25-ft centers** in the area around the main shaft(s). This drilling, along with 800+ trench samples and 900+ surface geochem samples, confirmed continuity of the vein and surrounding mineralization. TMA reported an average vein width of ~5.5 feet and an average grade of **0.488 oz/ton Au** (≈16.7 g/t) in the drilled zone. They found the vein structure dips ~48°, and identified a mineralized zone about 12 ft true width (with lower-grade halo) allowing a mining width of 35–40 ft in some sections. These results indicated a potentially *open-pittable target* at shallow depth. In 1982, **C.M. “Mike” Daily**, a mining engineer, reviewed the TMA data on behalf of Zions Bank (for a loan due diligence). Daily focused on the near-surface mineralization and concluded that an area around Shaft #2 held **108,000 tons at an average grade of 0.189 oz/ton Au plus 1.16 oz/ton Ag** in a zone only ~30 feet deep. This equates to roughly *20,400 ounces of gold and 125,000 ounces of silver* in a shallow zone. He noted this could be mined by **open-pit methods** and deemed the project amenable to surface extraction. Daily's evaluation is significant – it highlights a low-strip, shallow resource that could generate early cash flow (this notion will be used in our development plan).

- **1984 Geologic Study (Peter Lange, M.S.)** – Geologist Peter Lange conducted a comprehensive two-year study for his master’s thesis at CSU, which included mapping, 300 geochemical samples, and fluid inclusion analysis. Lange’s research concluded that all prior findings were consistent with an **epithermal, multi-stage “boiling zone” gold deposit**. He identified vertical zoning, with the top of the boiling zone at surface in some areas and dropping ~150 ft in others. His model predicted that significant gold grades could persist to **~1500’ depth** – in fact, he projected the average grades (~0.488 oz/ton) could extend that far down dip. Lange’s work reinforced the idea that Telegraph’s vein system is long-lived and likely continues well below the historic workings, implying substantial exploration upside at depth.
- **2006 Drilling and Evaluation (David Ryzak)** – In the mid-2000s, geologist David Ryzak (with ~30 years of mine geology experience) assessed Telegraph on behalf of an interested company (Rocanville Corp.). In 2006, Ryzak supervised a new **380-ft vertical drill hole** located about 500 ft west-southwest of Shaft #2 (on “Hill #2”). This intercepted the vein at depth and, combined with re-analysis of prior data, led Ryzak to outline two mining scenarios:
 - An **open-pit mineable resource** along ~2,400 ft of the vein to 130 ft depth: **~350,000 tons @ 0.26 oz/ton Au** (~89,700 oz Au) with a 4:1 strip ratio.
 - An **underground mineable resource** from 130 ft to 500 ft depth over the same 2,400 ft length: **~204,000 tons @ 0.48 oz/ton Au** (~97,920 oz Au).
 - Total combined resource to 500 ft depth: **~554,000 tons containing ~187,620 ounces of gold**.

These figures are noteworthy because they echo the earlier estimates (Ito/Owens/Jensen) in terms of magnitude (hundreds of thousands of tons, ~0.5 oz grades). Ryzak then performed a **pre-feasibility economic analysis** (in 2008 dollars, at \$860/oz gold and 92% recovery). He estimated an open-pit phase could generate ~\$52 million gross profit, and a subsequent underground phase ~\$43 million, for a total ~\$95 million gross profit.

This implies robust economics even at \$860 gold. Ryzak was confident enough that he testified under oath that based on his knowledge, he *“personally would be willing to go forward with the expenditure to develop a mine on the Telegraph claims.”*

- **2013 NI 43-101 Technical Report (D.A. Hedderly-Smith)** – Dr. David A. Hedderly-Smith compiled all **“40-plus years of historical data”** into a NI 43-101 compliant technical report in 2013. His aim was to evaluate the data’s reliability and assess the property’s potential. Key conclusions from the report:
 - Almost all historic data had been scrutinized in legal proceedings, with many of the geologists testifying to its validity; hence the author **considered the data credible** as prima facie evidence.

- Sampling of 1981-82 drill cuttings showed grades **consistent with earlier work**, adding confidence to the numbers.
- Hedderly-Smith strongly recommended a **modest confirmation program** – specifically, additional surface sampling and a limited amount of core drilling – to verify historical resource estimates.

He expected that such work “will only confirm the historic estimates” given the weight of evidence.

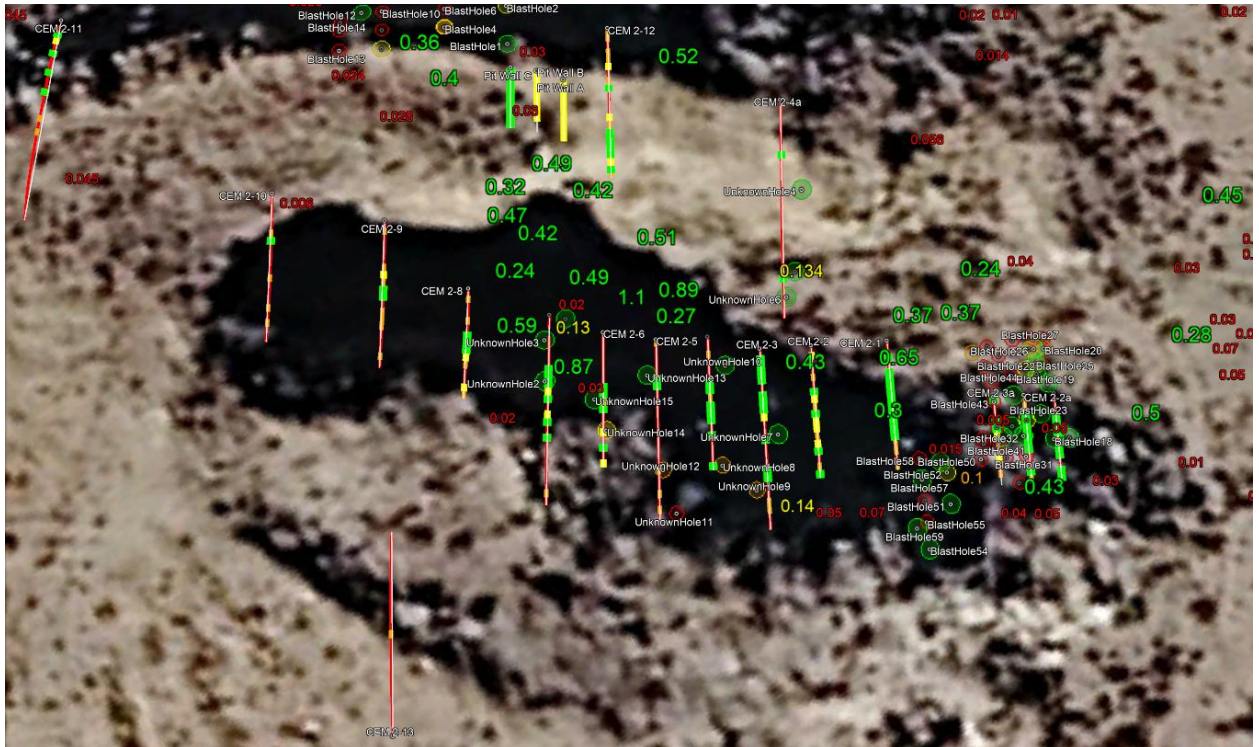


Figure 3: Sampling database visualization of Hill #2. Green indicates grades $\geq .23$ oz Au/ton, Yellow indicates grades between .13 and .22 oz Au/ton. Circles and arrows are drill holes, numbers are surface samples.

MINERALIZATION SUMMARY BY DOMAIN AND MINING CONTEXT

(NI 43-101–aligned disclosure; pre-resource)

The Telegraph Mine is not a bulk-tonnage project. It is a high-grade, underground dominant system with a meaningful near-surface, open pit capable component.

Near-surface oxide and weathered material (0–50 ft) is confirmed to be mineralized and suitable for selective extraction; however, this zone represents a finite, high-confidence starter inventory rather than the dominant source of long-term ounces. The transitional mixed oxide–sulfide domain (50–300 ft) now represents the largest and most continuous concentration of economically relevant

mineralization, supported by dense drilling, underground exposure, and multiple independent historical estimates.

Mineralization below ~300 ft depth is interpreted to transition to primary sulfide vein material. While structural continuity and grade persistence at depth are well supported by geologic models and selective drilling, this deeper domain is treated as development and exploration upside and is not required to support the base-case development plan or valuation.

This consolidated interpretation prioritizes geological confidence, mineability, and data density over historical surface-weighted estimates, and forms the basis for the development plan.

Metallurgical / Geological Domain Summary (Conceptual, Non-Reserve)

Metallurgical / Geological Domain	Mining Context	Data Support	Depth Range	Ore (tons)	Au Grade - oz/ton (g/ton)	Au (oz)	Ag Grade oz/ton (g/ton)	Ag (oz)
Oxide / Weathered Vein – Hills & Surface Expressions	Surface selective mining (trenches, shallow cuts, hillsides)	High (surface drilling, channel sampling, historic production)	Above surface to ~30 ft	~140,000	0.22–0.32 (7.5 - 11.0)	~30k–45k	0.4–0.8 (13.7 - 27.4)	~50k–110k
Oxide / Weathered Vein + Halo	Open pit mining on patented ground	High (surface drilling, sampling, down-dip continuity)	~30–115 ft	~400,000	0.22–0.32 (7.5 - 11.0)	~85k–125k	0.4–0.8 (13.7 - 27.4)	~150k–320k
Oxide-Sulfide Transition Vein System	Shallow underground (adits, short ramps, stopes)	Moderate (dense drilling, mapped workings, partial depletion)	~115–300 ft	~850,000	0.22–0.32 (7.5 - 11.0)	~180k–250k	0.4–0.8 (13.7 - 27.4)	~300k–650k
Primary Sulfide Vein at Depth (Lange Thesis – Conceptual Extension)	Deeper underground (longer stopes, ramp access)	Low (thesis-driven continuity; limited deep drilling)	~300–1500 ft	~2M – 6M	0.22–0.32 (7.5 - 11.0)	~400k–1.9M	0.4–0.8 (13.7 - 27.4)	~800k–4.5M
Conceptual Total (non-reserve)	—	—	—	~3M – 7M	—	~650k–2.3M	—	~1.3M–5M

*Quantities and grades shown below are derived from historical drilling, underground mapping, sampling, and production records and do not constitute Mineral Resources or Reserves under NI 43-101. Figures are presented to communicate scale, metallurgical domains, and work required to establish a compliant Mineral Resource. Grade variations between depth intervals reflect differences in mining selectivity, sampling density, and inclusion of vein halos rather than fundamental changes in mineralization style. 43-101 Technical Report available on request.

The exploration history paints a picture of a **significant high-grade gold deposit with substantial remaining resources**. Multiple independent geologists across decades have arrived at compatible estimates on the order of *100k+ ounces (proven/measured)* and *200k–300k+ additional ounces (potential/inferred)* of gold in situ to moderate depths (500 ft), with hints of much more at greater depth or along untested extensions. The consistency of ~0.4–0.5 oz/ton gold grades (~12–15 g/t) in those estimates is particularly encouraging, as it implies a rich ore that could generate strong cash flow even on a small scale. This extensive database, unusual for an exploration-stage project, **increases the confidence level and thus the valuation**: it lowers geological risk and means a

buyer can rely on a large body of information rather than drilling entirely from scratch. However, because the data is historic, a prudent approach is to treat these numbers as *exploration targets* and use them to guide modern verification – which we include in the development plan.

IMPACT OF LOCATION AND REGULATORY FACTORS ON VALUATION

The combination of the project’s location and legal status has a nuanced impact on valuation, with both positive and cautionary elements:

- **Permitting and Vested Rights:** As discussed, the vested rights ruling is a major *value enhancer*. It effectively **eliminates the need for a new mining permit**, thereby sidestepping a process that could take 3–5 years in California (with uncertain outcome). This reduction in regulatory risk increases the project’s risk-adjusted value. Projects without permits in California often suffer heavy discounts to value due to uncertainty; Telegraph largely overcomes this, making it more comparable to a permitted project. However, a reclamation plan with any required environmental studies will still be required. In essence, the project’s timeline to production (and cash flow) is shortened, improving NPV. This unique status makes Telegraph particularly valuable with nearer-term production and minimized bureaucratic delay.
- **Mojave National Preserve Constraints:** Being inside a National Preserve creates some challenges, but the patented land status, vested rights status, and the existence of an access road that has been historically used to access the property for mining since the 1930s significantly mitigate this. There is **precedent for mining in such settings** when rights are established – for example, the nearby Castle Mountain Mine (although just outside the Preserve boundary but within Wilderness Area) and other cases in National Parks where valid existing rights were honored. Valuation might be slightly tempered by the need to adhere to strict environmental standards, as violations could invite legal challenges from environmental groups. However, since **no additional federal mining claim permits are needed** on patented land, the main federal oversight would relate to any off-site impacts – mostly the ability to maintain the existing road in its existing prism. As long as the operation remains within the private land footprint (e.g. processing facilities, waste dumps, etc., are on the patented claims), the project will avoid triggering federal intervention. This is an important point for valuation: it suggests that Telegraph can be developed similarly to any mine on private land, meaning the Preserve designation will not materially hinder operations. The site’s proximity to I-15 and existing old mine roads means *no new long access roads across protected lands are required*, minimizing disturbance.

- **Infrastructure and Logistics:** Being near a major highway and relatively close to power corridors (there are power lines and infrastructure along I-15 in many areas) could reduce capital costs for development (e.g. easier to bring in electric power, easier for labor access from nearby towns or Las Vegas). Remote projects often require significant capex for road building or long haulage – Telegraph does not have that issue, which increases effective project value. Additionally, the option to truck high-grade ore to existing processing facilities is planned as part of Phase 0, potentially eliminating the need for on-site processing initially (this is covered in the development plan).
- **Corporate Stability and Ownership Alignment:** Mojave Gold Mining Corporation benefits from a stable and highly aligned ownership structure, with a substantial majority of outstanding shares held by long-term stakeholders closely aligned with management and the Company’s phased development objectives. This ownership profile reduces governance volatility, supports long-cycle technical decision-making, and materially lowers the risk of execution disruption during permitting, early operations, or strategic review processes.

In valuation terms, the *net impact* of location/regulatory factors is positive: the ease of access and permitting boosts the project’s value compared to a similarly sized deposit in a remote or heavily regulated location. We reflect this in valuation by using a lower risk discount or by assuming earlier cash flows in a DCF model (thus less discounting).

DEVELOPMENT PLAN

To enhance Telegraph’s valuation while conserving capital, a disciplined, data-driven development plan is recommended. The goal is to quickly progress from a historically proven mine, to shallow open pit production, to a modern, NI 43-101 supported development asset while minimizing dilution.

Phases 0-2 development and valuation assumptions are limited to mineralization accessible from existing patented mining claims. Mineralization extending beneath Mojave National Preserve surface lands is treated as geological upside and is not required to support Phase 0-2 execution or valuation.

Later-stage valuation scenarios (Phase 3 and beyond) reflect potential resource expansion, including down-dip extensions of the vein system. These scenarios would require additional technical and permitting analysis and are not assumed in the base-case development plan.

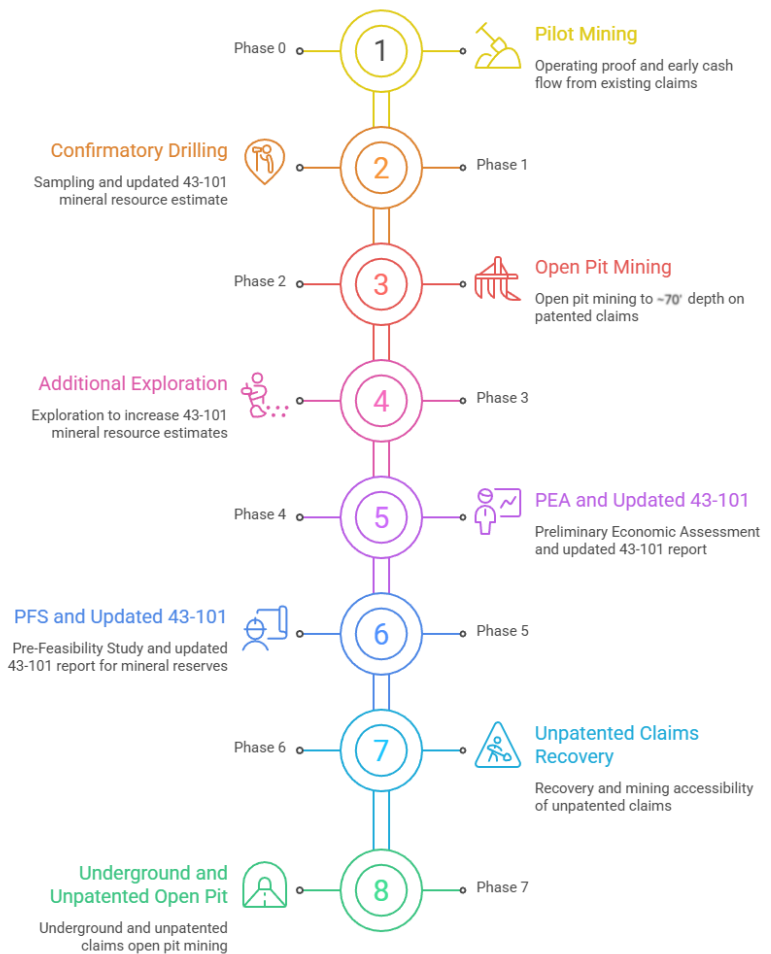
Any future underground development targeting mineralization beneath federal surface lands would be evaluated independently and could potentially be accessed from private land without surface disturbance, subject to applicable approvals.

PARALLEL DEVELOPMENT

PHASES

- **Phase 0:** Pilot Mining for Operating Proof and Early Cash Flow
- **Phase 1:** Confirmatory Drilling, Sampling and Updated 43-101 Mineral Resource Estimate
- **Phase 2:** Open Pit Mining to 70' depth
- **Phase 3:** Additional Exploration to Increase 43-101 Mineral Resource Estimates
- **Phase 4:** Preliminary Economic Assessment (PEA) and Updated 43-101 Report
- **Phase 5:** Mineral Reserve Estimate via a Pre-Feasibility Study (PFS) and Updated 43-101 Report
- **Phase 6:** Recovery and Mining Accessibility of Unpatented Claims
- **Phase 7:** Underground and Unpatented Claims Open Pit Mining

Telegraph Mine Development Plan Phases



Made with Napkin

PHASES 0-2: PILOT MINING -> RESOURCE ESTIMATE -> SHALLOW OPEN PIT

Overview

Phases 0–2 are funded and executed as a single integrated program, while maintaining strict gates that control scale-up and prevent premature expansion. Phase 0 establishes operating proof and settlement behavior. Phase 1 confirms continuity and modern QA/QC through drilling and assay control. Phase 2 transitions to an engineered open pit mine plan to the pro forma depth and tonnage assumptions.

Phase 0-2 Capital Requirements (USD)

Non-Working Capital

Category	Amount (USD)	Purpose / Notes
Permitting, Reclamation, Access & Startup Admin	\$300,000	Reclamation documentation, Environmental clearances, NPS access coordination, County fees, accounting/legal/admin systems, insurance initiation, startup management, formal access road O&M plan, GPS centerline & prism survey, geotagged photo baseline
Subtotal – Non-Working Capital	\$300,000	True owner-side cash required before mining
Reclamation Bond	<i>Non-Cash</i>	Surety bond only; annual premium (~\$15k) expensed
Working Capital		
Working Capital – Operating Float	\$700,000	Payroll, fuel, consumables, assays/sampling, haul & toll charges during 75-day revenue lag and conservative ramp, admin
Liquidity Reserve (Non-Optional)	\$100,000	Mandatory buffer for settlement delays, short-term dilution, or contractor inefficiencies, NGO / reputation issue resolution
Subtotal – Working Capital	\$800,000	Sized to modeled peak cash trough plus required buffer
Required Capital	\$1,100,000	Fully funds Phase 0-2

Phase 0-2 Master Assumptions

Geometry / Domain Model (planning)

- Vein average width: 5.5 ft
- Mineable halo widths: 10 ft footwall, 5 ft hanging wall
- Vein dips ~45° down dip (west)
- Strike length on surface used for Phase 2: 2,000 ft
- Dilution / mined-out factor applied to grades: 25%

Grades (planning) – pre- and post-dilution

Pre-dilution (in-situ planning grades):

- Vein: 0.48 oz/ton Au, 0.80 oz/ton Ag
- Halo: 0.20 oz/ton Au, 0.35 oz/ton Ag

After 25% dilution/mined-out factor (used for planning economics):

- Vein: 0.36 oz/ton Au, 0.60 oz/ton Ag
- Halo: 0.15 oz/ton Au, 0.2625 oz/ton Ag

Metallurgy / Payables / Timing

- Au recoverable: 90%
- Ag recoverable: 60%
- Processing/payable penalties: 5%
- Gold price: \$4000/oz
- Silver price: \$70/oz
- Operating days: 20 days/month
- Revenue lag (settlement): 90 days
- Dore handling/refining reduction to revenues: 2%

Phase 0: Pilot Mining (Operating Proof + Settlement Validation)

Purpose

Phase 0 is a controlled pilot designed to generate *decision-grade operating data* before scaling:

- Delivered grade vs. dilution under real mining widths
- Mine-to-mill reconciliation at the lot level
- Payables/penalties and 90-day settlement timing
- Contractor productivity and the mining cost curve behavior at low tonnage
- Practical access/traffic/dust posture under real operations

Operating Profile (Pro Forma)

- Permitting/readiness: Months 1–6 (no mining)
- Pilot mining: Months 7–10 at 20 → 20 → 20 → 45 TPD
- Operating days: 20 per month
- Total pilot ore: ~2,200 tons
- Pilot ore composition (pro forma): ~91.6% vein ore, ~8.4% halo ore
- Depth intent: shallow pilot cuts (pro forma pilot is effectively a vein-weighted starter inventory)

Ore Control & Reconciliation (non-negotiable)

Phase 0 must include, in writing and in execution:

- Lot definition rules (each shipment tied to a bench/panel)
- Sampling protocol (face/channel + truck/lot composites)
- QA/QC inserts and chain-of-custody
- “Stop/hold/re-sample” triggers if grade variance is outside tolerance
- Settlement reconciliation procedure (mine estimate → mill head grade → payable)

Phase 0 gates (must be met to proceed)

- At least one reconciled lot at each step confirming delivered grade within tolerance band
- No material payability / penalty surprises; settlement terms confirmed in practice
- Contractor cycle time and ore control stable
- Access and compliance interface stable (no escalation triggers)

Phase 0 permitting strategy

Phase 0 will proceed under the Company’s vested-rights and patented-land framework, with required state and county approvals, financial assurance, and pre-disturbance clearances completed before mining. The investor summary intentionally omits detailed legal strategy, agency-interface sequencing, and tactical permitting execution steps, but retains the core timeline and compliance assumptions reflected in the pro forma.

Phase 1: Drilling Program (Confirmatory RC + QA/QC + Technical Inputs for Pit)

1. Introduction and Objectives

Phase 1 exploration is designed to validate historical drilling, sampling, and geologic interpretations with specific emphasis on the 50–300 ft transitional mineralization domain, which now represents the primary concentration of economically relevant ounces in the consolidated geological model.

While near-surface mineralization is well documented, Phase 1 drilling is intentionally focused on confirming grade continuity, thickness, and structural controls within the transitional zone, thereby converting the most value-dense portion of the historical dataset into a compliant NI 43-101 Indicated Mineral Resource.

Phase 1 Exploration is therefore designed as a confirmatory drilling and sampling program to validate key portions of the historical assays and geologic interpretations at minimal cost, while adhering to NI 43-101 (or equivalent) standards. Phase 1 activities are limited in scope and duration and are designed to build incrementally on established Phase 0 access and operating practices. No

expansion of access routes or permanent infrastructure is contemplated during Phase 1. The primary objectives are:

- **Validate Historical Drilling:** Confirm grade, thickness, and continuity of the main vein as demonstrated in prior drilling campaigns.
- **Demonstrate Depth Potential:** Test extension of the vein below historic workings (>150 ft depth) with limited deep drilling, assessing the “down-dip” continuity that was hypothesized by past geologists
- **Obtain Fresh Samples for QA/QC and Studies:** Collect core samples for modern gold assays, metallurgical tests, and geologic logging, and perform surface/underground sampling to fill data gaps.
- **Ensure Compliance and Cost-Efficiency:** Implement industry-standard QA/QC protocols and operate under existing permits/rights to minimize regulatory delays.
- **Confirmatory assays of historical samples found in historical sample library:** verify validity of historical assay results.
- **Publish an updated 43-101 mineral resource estimate** using the updated confirmatory drilling data – move the inferred historical resource estimate to an “Indicated” status under 43-101 guidelines.

By achieving these objectives, the program aims to “convert historical paper ounces into NI 43-101 compliant resources”. Success will support a subsequent resource estimate and greatly enhance confidence for investors, regulators, and potential partners.

Phase 1 execution details (target-zone prioritization, hole collar locations, drilling map, and detailed line-item budget tables) are omitted from this investor summary. Phase 1 remains a focused confirmatory drilling and QA/QC program designed to support an updated NI 43-101 Mineral Resource Estimate with capital-disciplined scope and staged execution.

2. Outcome of Phase 1 exploration

Essentially, the historical resource is expected to be fully confirmed and possibly expanded. By drilling deeper holes, we anticipate converting Owens’ inferred 540k tons and Lange’s deep projections into indicated resources, in addition to the core verified reserve. The data set would be robust enough to support a maiden resource estimate in accordance with NI 43-101, which could then feed into a Preliminary Economic Assessment (PEA) in the next phase.

It should be noted that this proposal remains relatively low-cost compared to typical projects, thanks to the shallow nature of the deposit and extensive historical

drilling and exploration. Phase 1's estimate of ~\$300k is still modest given it targets confirmation of a ~200,000 oz gold system.

Phase 1 permitting and contractor-selection details are intentionally summarized in this version. All Phase 1 activities are expected to be conducted on patented private land under applicable approvals and compliance requirements, with final contractor selection based on safety, capability, schedule, and commercial terms at the time of execution.

Phase 2: Open Pit (Engineered Surface Mine to Pro Forma Depth and Tonnage)

Purpose

Phase 2 transitions from pilot proof to an engineered open pit plan sized to the pro forma:

- Target pit depth: ~70 ft
- Total moved material: ~1.875 million tons
- Ore: ~329k tons (ore fraction ~17.6% of moved)
- Waste: ~1.545 million tons
- Planned pit width (planning parameter): ~190 ft, bottom working width ~50 ft
- Slope assumption (planning): ~1:1 (to be confirmed in starter geotech)

Phase 2 ore blend and delivered grade basis (pro forma)

Phase 2 is halo-dominant:

- Vein ore fraction: ~26.8%
- Halo ore fraction: ~73.2%

Using the post-dilution grades, the Phase 2 blended head grade is approximately:

- ~0.206 oz/ton Au
 - ~0.353 oz/ton Ag
- (then apply recovery/payable factors and settlement lag as modeled)

Phase 2 operating ramp (pro forma sequence)

Phase 2 ramp begins after Phase 1 drilling and includes a staged tonnage increase (example path shown in the pro forma): 20 → 25 → 30 → 35 → 40 → 45 → 50 TPD, followed by further scale steps thereafter.

Pre-Phase 0 and pre-Phase 2 execution readiness remains a core requirement of the development strategy. Detailed internal engineering, contractor-control, grade-control, geotechnical, and sequencing checklists have been removed from this investor summary but are maintained in the Company's internal operating plan.

Governing Pro Forma (Telegraph Phase 0-2 Pro-Forma.xlsx)

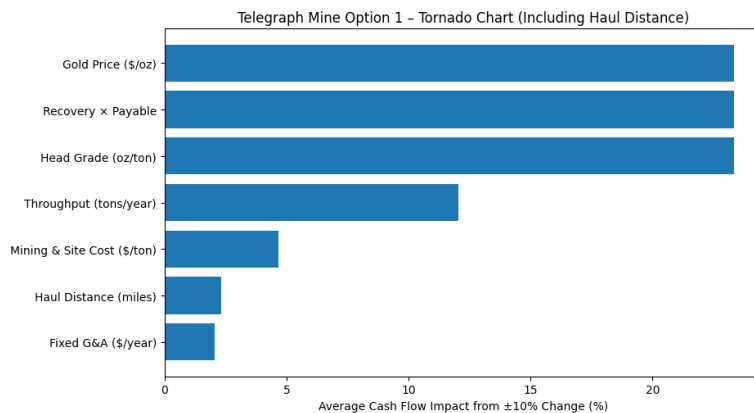
Month	Ore Mined Tons Per Day	Total Ore Mined Tons Per Month	Mining \$/t mined ore	Processing \$/t shipped ore	Trucking \$/t shipped ore	Revenue	Total Cost	Net Cash Flow	Cumulative Operating CF	Investment Cash Flow	Cumulative Total CF	Phase/ Notes
0										\$ 450,000	\$ 450,000	
1	0	-	—	—	—		\$ (73,000)	\$ (73,000)	\$ (73,000)		\$ 377,000	
2	0	-	—	—	—		\$ (55,000)	\$ (55,000)	\$ (128,000)		\$ 322,000	Phase 0 / Phase 1 Permitting / Metallurgical Testing
3	0	-	—	—	—	\$ -	\$ (55,000)	\$ (65,000)	\$ (193,000)		\$ 257,000	
4	0	-	—	—	—	\$ -	\$ (55,000)	\$ (55,000)	\$ (248,000)		\$ 202,000	
5	0	-	—	—	—	\$ -	\$ (55,000)	\$ (55,000)	\$ (303,000)		\$ 147,000	
6	0	-	—	—	—	\$ -	\$ (55,000)	\$ (55,000)	\$ (358,000)		\$ 92,000	
7	20	400	\$ 215	\$ 100	\$ 100	\$ -	\$ (216,000)	\$ (216,000)	\$ (574,000)	\$ 650,000	\$ 526,000	
8	20	400	\$ 215	\$ 100	\$ 100	\$ -	\$ (216,000)	\$ (216,000)	\$ (790,000)		\$ 310,000	
9	20	400	\$ 215	\$ 100	\$ 100	\$ -	\$ (216,000)	\$ (216,000)	\$ (1,006,000)		\$ 94,000	Phase 0 Operations/
10	45	900	\$ 128	\$ 100	\$ 100	\$ 459,116	\$ (344,840)	\$ 89,024	\$ (916,976)		\$ 183,024	Phase 1 Drilling /
11	0	-		\$ 100	\$ 100	\$ 459,116	\$ (50,000)	\$ 383,864	\$ (533,111)		\$ 566,889	Phase 2 Permitting
12	0	-		\$ 100	\$ 100	\$ 459,116	\$ (200,000)	\$ 233,864	\$ (299,247)		\$ 800,753	
13	0	-		\$ 100	\$ 100	\$ 1,033,010	\$ (200,000)	\$ 776,195	\$ 476,948		\$ 1,576,948	
14	0	-		\$ 100	\$ 90	\$ -	\$ (195,000)	\$ (195,000)	\$ 281,948		\$ 1,381,948	Phase 1 Drilling /
15	0	-		\$ 100	\$ 90	\$ -	\$ (205,000)	\$ (230,000)	\$ 51,948		\$ 1,151,948	Testing / Resource
16	0	-		\$ 100	\$ 90	\$ -	\$ (65,000)	\$ (65,000)	\$ (13,052)		\$ 1,086,948	Estimate / Phase 2
17	0	-		\$ 100	\$ 90	\$ -	\$ (75,000)	\$ (75,000)	\$ (88,052)		\$ 1,011,948	Permitting
18	20	400	\$ 215	\$ 85	\$ 90	\$ -	\$ (236,000)	\$ (236,000)	\$ (324,052)		\$ 775,948	
19	25	500	\$ 200	\$ 85	\$ 90	\$ -	\$ (272,500)	\$ (272,500)	\$ (596,552)		\$ 503,448	
20	30	600	\$ 175	\$ 85	\$ 90	\$ -	\$ (300,000)	\$ (300,000)	\$ (896,552)		\$ 203,448	Phase 2 Open Pit
21	35	700	\$ 157	\$ 85	\$ 90	\$ 276,633	\$ (327,050)	\$ (65,631)	\$ (962,184)		\$ 137,816	Operations Start /
22	40	800	\$ 140	\$ 85	\$ 90	\$ 345,792	\$ (351,920)	\$ (25,147)	\$ (987,331)		\$ 112,669	Ramp
23	45	900	\$ 128	\$ 85	\$ 90	\$ 414,950	\$ (382,340)	\$ 9,788	\$ (977,543)		\$ 122,457	
24	50	1,000	\$ 117	\$ 85	\$ 90	\$ 484,108	\$ (407,100)	\$ 50,383	\$ (927,160)		\$ 172,840	
25	75	1,500	\$ 115	\$ 85	\$ 64	\$ 553,267	\$ (515,100)	\$ 7,737	\$ (919,423)		\$ 180,577	
26	100	2,000	\$ 93	\$ 85	\$ 64	\$ 622,425	\$ (609,300)	\$ (21,108)	\$ (940,531)		\$ 159,469	
27	100	2,000	\$ 93	\$ 85	\$ 64	\$ 691,584	\$ (614,300)	\$ 14,246	\$ (926,285)		\$ 173,715	
28	150	3,000	\$ 98	\$ 85	\$ 64	\$ 1,037,375	\$ (875,250)	\$ 105,070	\$ (821,215)		\$ 278,785	
29	200	4,000	\$ 98	\$ 85	\$ 64	\$ 1,383,167	\$ (1,127,000)	\$ 180,093	\$ (641,122)		\$ 458,878	Phase 2 Open Pit
30	200	4,000	\$ 98	\$ 85	\$ 64	\$ 1,383,167	\$ (1,132,000)	\$ 175,093	\$ (466,029)		\$ 633,971	Operations Ramp
31	200	4,000	\$ 98	\$ 85	\$ 64	\$ 2,074,751	\$ (1,137,000)	\$ 823,639	\$ 357,610		\$ 1,457,610	
32	200	4,000	\$ 98	\$ 85	\$ 64	\$ 2,766,334	\$ (1,137,000)	\$ 1,477,186	\$ 1,834,796		\$ 2,934,796	
33	200	4,000	\$ 98	\$ 85	\$ 64	\$ 2,766,334	\$ (1,137,000)	\$ 1,477,186	\$ 3,311,981		\$ 4,411,981	
34	200	4,000	\$ 98	\$ 85	\$ 64	\$ 2,766,334	\$ (1,137,000)	\$ 1,477,186	\$ 4,789,167		\$ 5,889,167	
35	200	4,000	\$ 98	\$ 70	\$ 35	\$ 2,766,334	\$ (962,000)	\$ 1,652,186	\$ 6,441,353	\$ (7,000,000)	\$ 541,353	Move processing in-house / Phase 2 Open
36	200	4,000	\$ 98	\$ 70	\$ 35	\$ 2,766,334	\$ (962,000)	\$ 1,652,186	\$ 8,093,539		\$ 2,193,539	Pit Operations
37	200	4,000	\$ 98	\$ 70	\$ 35	\$ 2,766,334	\$ (962,000)	\$ 1,652,186	\$ 9,745,724		\$ 3,845,724	Steady State

Sensitivity analyses to Phase 0-2 pro-forma (total net cash flow USD 100,000s):

Phase 0 Sensitivity Table (values in USD Ms)		Au price / oz							
		\$2,500	\$3,000	\$3,500	\$4,000	\$4,500	\$5,000	\$5,500	\$6,000
		<i>Avg Au grade</i>	0.20	-0.9	-0.8	-0.6	-0.4	-0.3	-0.1
	0.25	-0.7	-0.5	-0.3	-0.1	0.1	0.3	0.5	0.7
	0.30	-0.5	-0.3	0.0	0.2	0.5	0.7	1.0	1.2
<i>after</i>	0.34	-0.3	-0.1	0.2	0.5	0.8	1.0	1.3	1.6
<i>dilution</i>	0.40	-0.1	0.2	0.6	0.9	1.2	1.5	1.9	2.2
	0.45	0.1	0.5	0.8	1.2	1.6	2.0	2.3	2.7

Phase 2 Sensitivity Table (values in USD Ms)		Au price / oz							
		\$2,500	\$3,000	\$3,500	\$4,000	\$4,500	\$5,000	\$5,500	\$6,000
		<i>Avg Au grade</i>	0.09	-19.6	-8.7	2.1	13.0	24.3	35.5
	0.13	5.7	21.6	37.1	52.8	69.0	85.3	101.5	117.8
	0.17	29.4	49.8	69.8	89.9	110.8	131.7	152.6	173.5
<i>after</i>	0.21	54.8	80.0	104.8	121.7	155.6	181.4	207.3	233.1
<i>dilution</i>	0.25	78.5	108.2	137.5	166.8	197.3	227.8	258.3	288.8
	0.28	92.1	124.4	156.1	188.0	221.2	254.4	287.5	320.7

Phase 0-2 Tornado Chart (Cash Flow Sensitivity by Pro Forma Assumption):



At Telegraph, grade, recovery combined with payable (how much the processor recovers and minimizing payment penalties), and gold price explain nearly 80% of cash-flow variability. Cost and scale — including haulage distance and truck configuration — are secondary drivers.

Probability Table: Delivered Head Grade in Phase 2

Grade buckets (oz/ton Au)	Probability
≥ 0.28	10%
0.23 – 0.27	25%
0.20 – 0.22 (base-case band)	35%
0.17 – 0.19	20%
≤ 0.15	10%

Basis for Grade Outcome Probabilities (Phase 2)

The grade probability distribution shown above is derived from historic production performance, multi-decade drilling and sampling data, including CEMCORP-era drilling and processing results, and domain-specific geological interpretation consolidated in the Company's technical reports.

Historic production records document approximately 2,749 tons mined at an average grade of ~0.93 oz/ton Au, with multiple years exceeding 2.0 oz/ton Au, demonstrating sustained high-grade vein mineralization. Subsequent drilling and sampling programs, including CEMCORP shallow drilling in the 1980s, intersected narrow, vein-controlled mineralization commonly exceeding 0.20 oz/ton Au, confirming that shallow portions of the system host grades materially above the Phase 0 base-case assumption.

CEMCORP's heap leach operations further validated the presence and recoverability of gold in shallow mineralization, while also demonstrating the sensitivity of delivered grade to bulk handling and dilution. The average grade in their ~21k ton heap leach pile was .26 Au oz/ton. The lower average grades (.15 Au oz/ton) realized in later heap leach feed reflect intentional blending and non-selective mining methods rather than an absence of higher-grade material, reinforcing the conclusion that mining selectivity is the primary determinant of delivered grade.

The consolidated geological framework distinguishes near-surface oxide and weathered vein material (0–50 ft) as the most data-dense and operationally accessible domain, supported by historic workings, shallow drilling, trenching, and CEMCORP data. While in-situ vein grades within this domain exceed the Phase 0 base-case assumption, delivered grades are conservatively modeled to reflect practical mining widths, contact dilution, and ore-lot blending.

Phase 2 operating constraints are explicitly designed to manage these dilution mechanisms through tight mining geometry, ore-lot segregation, and shipment-level reconciliation against processor head grades. Throughput increases are contingent on repeated reconciliation within defined tolerances, consistent with industry practice for validating grade control in high-grade vein systems.

Accordingly, the 0.20 oz/ton Au base-case grade represents a technically supported delivered-grade target, informed by historic production, CEMCORP drilling and operating experience, and controlled mining geometry, rather than a speculative extrapolation of in-situ vein grades.

Basis for Phase 0-2 Operating Cost Assumptions (Cost per Ton)

The Phase 0-2 operating cost assumption of approximately \$388 per ton (all-in) is supported by industry benchmarks for small-scale, contractor-operated gold mining operations, particularly those relying on long-distance haulage and third-party toll processing rather than owner-operated infrastructure.

Independent mining cost surveys and feasibility studies consistently show that sub-100 TPD operations experience materially higher unit costs than larger mines due to scale inefficiencies, contractor minimums, and underutilization of equipment and labor. Industry data compiled by sources such as SRK Consulting, Mining Cost Service (InfoMine), and S&P Global Market Intelligence indicate that small underground or selective surface operations operating below ~100 TPD frequently incur mining and site costs in the range of \$150–250 per ton, before haulage and processing.

Third-party toll milling and long-haul trucking further increase unit costs. Published toll-processing benchmarks for gold ore typically range from \$60–120 per ton, depending on ore characteristics and plant type, while long-distance trucking costs for ore commonly fall in the \$30–50 per ton range at current fuel and labor rates. When combined, these externally benchmarked components alone can reasonably exceed \$250–350 per ton for small, remote operations prior to overhead allocation.

The Phase 0-2 cost model intentionally incorporates these higher unit costs rather than assuming premature economies of scale. Unlike feasibility-stage mine plans that amortize costs over thousands of tons per day, Phase 0-2 reflects real startup conditions: contractor mining, limited throughput (20–70 TPD), non-optimized logistics, and full cash overhead. Fixed costs for supervision, safety, insurance, compliance, and administration are explicitly included, consistent with best practice for early-stage operating proof rather than excluded or deferred.

Importantly, the cost assumption does not rely on aggressive cost compression, proprietary processing, owner-operated fleets, or permanent infrastructure. Instead, it reflects market-observable, contract-based pricing for mining, haulage, and processing — placing a practical upper bound on downside cost risk while preserving the ability to optimize costs only after grade, reconciliation, and operating stability are demonstrated.

Accordingly, the Phase 0-2 operating cost assumption should be interpreted as conservatively aligned with third-party industry benchmarks for small, contractor-operated gold operations, and appropriate for a pilot-scale, capital-disciplined phase focused on operating proof rather than cost minimization.

If these costs rise beyond what is economically feasible, operating cost optimizations are available as outlined in the risk mitigation section.

Risk Mitigation:

Detailed counterparty comparisons, processor screening tables, in-house processing option analyses, and internal risk matrices have been omitted from this version. The phased design, capital gating, and liquidity reserve framework remain the principal risk-control features communicated to investors.

Execution risk is materially reduced through the use of a ramped Phase 0-2 approach. Phase 0-2 caps upfront capital exposure while generating high-confidence operating data prior to scale-up. This structure minimizes the risk of premature infrastructure investment, grade dilution, or reconciliation failure while preserving full upside optionality. The table below outlines significant remaining risks, and mitigation strategies for those risks.

2. Phase 3 – Additional Exploration to Increase 43-101 Mineral Resource Indicated and Measured Estimates

The objectives of this phase would be to significantly increase the mineral resource estimate by:

- Drilling additional deep holes (6-8 500' and 1-3 1,500' holes in Hills #1-3 and the Telegraph Extension claim to validate resources at depth. Lange's work indicates that the mineralization continues to at least 1500' in depth. These deep holes will attempt to validate this so that the mineral resource estimate can be significantly expanded.
- Drilling additional medium depth holes (6-8 200'-300' holes) in Hills #1-3, but particularly in the Telegraph Extension claim (if the hole(s) drilled in phase 1 on that claim had promising results).
- Using the data from this drilling to double or triple the Indicated and Measured mineral resource estimates in a 43-101 technical report.

Budget: Total drill feet proposed in this phase would be ~8k. We estimate a cost of ~\$1M to complete this drilling program.

3. Phase 4 – Preliminary Economic Assessment (PEA) and Updated 43-101 Report

In parallel with drilling, conduct updated metallurgical tests on core samples. Historical evidence suggests the ore is free-milling (gravity + cyanidation worked in the 1930s, and later tests presumably done in 1982 by Dawson Labs for heap leach indicated good recoveries). Column leach tests on lower-grade material and bottle-roll or flotation tests on higher-grade vein material should be done. This will confirm processing methods (heap leach vs. mill) and recovery rates. Concurrently, perform a **scoping study (PEA-level)** on mine engineering: design a small open pit and an underground mine plan (e.g.,

decline vs shaft, stoping method, etc.). This doesn't have to be exhaustive – even a high-level study by a mining engineer can firm up cost estimates within $\pm 30\%$ accuracy.

Cost: \$250k–\$350k for a suite of met tests and a PEA report. *Timeline:* 3-4 months overlapping with or right after Phase 1 drilling.

Value: The outcome would be a published Preliminary Economic Assessment added to the 43-101 technical report showing the project's economics at current gold prices. This PEA can be used to market the project to potential partners. It also helps refine the business case. Having recovery and cost figures will allow a more accurate NPV which can be shown to investors (PEAs often illustrate very high IRRs for projects like this given the grade, which can attract interest).

4. Phase 5 – 43-101 Mineral Reserve Estimate via a Pre-Feasibility Study (PFS)

The Pre-Feasibility Study (PFS) will provide a detailed and technically robust estimate of mineral reserves at the Telegraph Mine, building upon the validated resource estimates from prior exploration and metallurgical testing. The objectives of Phase 5 are to:

- Establish proven and probable mineral reserves from the confirmed indicated resources, applying rigorous economic parameters such as current commodity prices, estimated mining costs, processing costs, recovery rates, and regulatory compliance costs.
- Conduct comprehensive engineering studies, including detailed mine design for both open-pit and underground operations, infrastructure planning, processing facility requirements, waste management strategies, and environmental safeguards.
- Refine metallurgical recovery assumptions through extensive testing on representative samples, confirming processing methodology (e.g., gravity/CIL for high-grade ore, heap leaching for lower-grade material).
- Deliver accurate capital and operating cost estimates with an accuracy of $\pm 20\text{--}25\%$, providing clarity on project economics and investment requirements.
- Evaluate permitting, reclamation, and environmental mitigation requirements comprehensively, in line with local, state, and federal regulations, to streamline subsequent permitting phases and avoid unexpected delays.
- Perform financial modeling, including detailed cash flow analysis and sensitivity analyses to variables such as gold price fluctuations, recovery rates, and cost variations, to demonstrate the project's economic viability.

The outcome of Phase 5 will be a comprehensive PFS report compliant with NI 43-101 standards, clearly articulating the project's economic viability, associated risks, and key opportunities. Completion of this phase significantly enhances the credibility of the Telegraph

Mine, positions the project favorably for securing financing or partnerships, and increases the asset's overall market value.

For a ~200k–300k oz high-grade project, a PFS is expected to cost on the order of \$0.6–\$1.0 million. This covers detailed resource modeling, mine design, process engineering, tailings/waste planning, extensive metallurgy, environmental and economic analysis to 43-101 standards. For example, a high-grade gold project PFS was budgeted at ~\$600k in 2014 ([INV Metals PFS \\$600k](#)), and another similar-scale PFS was ~\$1.2M (including some drilling) in 2020 ([PanTerra Gold PFS \\$1.2M Estimate](#)). Given inflation and the need for comprehensive studies ($\pm 20\text{--}25\%$ cost accuracy), ~\$800k is a reasonable mid-range estimate to complete the Phase 5 PFS.

VALUATION SUMMARY

The key drivers of valuation of the Telegraph Mine are the price of gold, the resource estimate for the mine (grade and Au oz / ton), and permitting capability.

Base-case development and valuation assumptions are limited to mineralization accessible from existing patented mining claims. Mineralization extending beneath Mojave National Preserve surface lands is treated as geological upside and is not required to support Phase 0 through Phase 2 execution or valuation.

Later-stage valuation scenarios (Phase 3 and beyond) reflect potential resource expansion, including down-dip extensions of the vein system. These scenarios would require additional technical and permitting analysis and are not assumed in the base-case development plan.

Any future underground development targeting mineralization beneath federal surface lands would be evaluated independently and could potentially be accessed from private land without surface disturbance, subject to applicable approvals.

Mojave Gold Valuation Matrix (USD millions, Enterprise Value)

Project Stage	Capital Required	Timing	Low Case (\$3,500 Au / \$45 Ag)	Base Case (\$4,000 Au / \$70 Ag)	High Case (\$5,500 Au / \$85 Ag)	Key Value Drivers
Current State (Today)		Now	\$5 – 10M	\$8 – 18M	\$12 – 22M	Patented private land; vested mining rights; historic production & drilling; clean Phase 0/1 structure
Phase 0 Permitted (2,200 tons pilot)	450k	6 months	\$7 – 14M	\$12 – 25M	\$18 – 28M	Ministerial approvals achieved; regulatory risk collapse; access boxed; execution credibility
Phase 0 Operating Proof (2,200 tons pilot completed)	650k	12 months	\$15 – 30M	\$22 – 40M	\$35 – 65M	Real cash flow; grade & payable reconciliation; toll processing + trucking proven; California risk discounted
Phase 1 Complete (NI 43-101 resource published)	Phase 0 cash flow	6 - 12 months	\$18 – 40M	\$38 – 70M	\$45 – 90M	Initial NI 43-101 Mineral Resource expected to be dominated by 50–300 ft transitional mineralization, with an indicative target range of approximately 120,000–220,000 oz Au (Indicated + Inferred). While modestly lower than some historical surface-weighted estimates, the consolidated resource reflects materially higher confidence, continuity, and development relevance.
Phase 2 In Production (70' open pit, KPIs on target)	Phase 0 cash flow	18 months	\$90 - \$120M	\$110 – 150M	\$140 - 180M	Demonstration of grade consistency at high tonnage volume
Phase 3 Expanded Resource Estimate (NI 43-101 resource updated)	Phase 2 cash flow	24 months	\$120 – 140M	\$140 – 180M	\$170 – 250M	Measured 50k-100k oz, Indicated 200k - 350k oz, Inferred 150k - 250k oz
Phase 4-5 PEA / PFS / Reserves (NI 43-101 reserves updated)	Phase 2 cash flow	30 months	\$140 – 180M	\$170 – 220M	\$200 – 320M	Reserve confidence; mine plan fidelity; financing optionality; risk discount sharply reduced
Phase 6 Recovery and Mining Accessibility of Unpatented Claims	Phase 2 cash flow	36 months	\$250 – 300M	\$300 – 400M	\$380 – 700M	Unlocks a large scale, lower tonnage open pit operation

- **Valuation Methodology and Assumptions**

At Telegraph’s current stage, buyers typically triangulate value using:

1. Market multiples in M&A (EV per ounce) for resources & reserves
 - S&P Global notes that in 2024, gold acquired in resources & reserves averaged about \$100/oz (aggregate). [S&P Global](#)
 - S&P Global also reported reserve ounces paid reached \$436/oz in a prior high period (useful as an upper bound for *de-risked* ounces). [S&P Global](#)
 - Large transactions can price higher depending on stage/quality (e.g., reporting around ~\$200/oz resource in the Osisko deal coverage). [ereseach.com](#)
2. Project-level risk discounting by stage (pre-resource → 43-101 → PEA → PFS/Reserves → FS/Build)
3. Cash-flow proof premium
Phase 0 is unusual: demonstrating real, repeatable cash flow (even at small tonnage) typically moves a project out of “concept discount” and into “operating proof” pricing—*especially in a market where gold M&A is hot and producers prefer buying de-risked projects*. [S&P Global+1](#)

Once Telegraph moves past Phase 1 (a 43-101 compliant resource estimate), the market often frames valuation as **EV/oz × compliant ounces**, then adjusts for jurisdiction, capex intensity, and proximity to production. If Telegraph publishes (illustratively) **~200k oz** in a first 43-101, then:

- **\$100/oz** (S&P Global 2024 average for R&R acquired) implies **~\$20M** baseline value for ounces alone, before premiums. [S&P Global](#)
- A premium toward **\$150–\$200/oz** becomes plausible if you have (i) cash-flow proof, (ii) clean permitting posture, or (iii) strategic fit, which is consistent with how some transactions are discussed (e.g., Osisko coverage). [ereseach.com](#)

Producers and serious partners pay for **risk removed**, not spreadsheets. And 2024–2025 has shown strong gold consolidation dynamics (deal volume and gold focus remain elevated). [S&P Global+1](#)

Our planned Phase 0 does three unusually valuable things:

- Proves the ore can be mined + shipped + paid reliably,
- generates real reconciliation data that strengthens Phase 1/2 credibility,
- de-risks “California fear” by showing the access/agency interface is stable.

- **Key assumptions**

1. **Gold price cases:** Low anchored to a published bearish “correction to ~\$3,500” view; high anchored to JPMorgan’s published path toward ~\$5,400 by end-2026; base anchored to RBC mining team’s ~\$4,600 2026 / ~\$5,100 2027 trajectory and Goldman’s ~\$4,900 Dec-2026. [Reuters+3The Times+3JPMorgan+3](#)
2. **M&A valuation anchors:** S&P Global’s 2024 R&R acquired average ~\$100/oz; reserve ounces paid ~\$436/oz in a prior high period; plus transaction commentary around ~\$200/oz resource in a major deal context. [S&P Global+2S&P Global+2](#)
3. **Stage definitions:** Stages are the plan’s staged strategy (Phase 0 proof → Phase 1 compliant ounces → PEA/PFS/FS), not generic exploration stages.
4. **Enterprise value vs. headline purchase price:** These ranges are best interpreted as “likely enterprise value / deal value range” and will vary depending on structure (earn-in, JV, royalties, offtake, etc.).
5. **No double-counting:** Later-stage ranges implicitly assume **Phase 0 remains small/mobile** unless/until a later build decision is made; the valuation step is driven mainly by de-risking + compliant ounces.

CONCLUSION

The Telegraph Mine is a uniquely positioned gold asset. It combines **proven high-grade mineralization** (with nearly 3,000 oz produced historically at almost 1 oz/ton average), a suite of **credible resource estimates** from multiple geologists (all pointing to ~100k–300k oz of gold with significant upside), and a **favorable regulatory status** rare in California (grandfathered permit rights). Its location alongside Interstate 15 provides logistical benefits, and the patented land insulates it from many federal restrictions.

Valuation of the project must account for the comparatively low remaining uncertainty: unlike a grassroots exploration play, Telegraph’s geology is well-understood and data-rich. With prudent development steps we can **significantly uplift the project’s value** in the eyes of the market. Given the current analysis, a reasonable target would be to position Telegraph for an exit valuation in the **mid-eight figures (USD)**, which reflects the immense work done by past operators and the bright future of this high-grade California gold mine.

This presentation contains forward-looking statements subject to risks and uncertainties. Actual results may differ materially. No assurance is given that projected outcomes will be achieved. See accompanying materials for additional information.