Resource Company Report: Mundoro Capital Inc.

Report Date	August 12, 2026	**Company Type**	Royalty Generator / Prospect Generator (Cu-Au)
Company Name	Mundoro Capital Inc.	**Stock Symbol**	MUNMF (OTCQB) / MUN (TSXV)
Primary Focus	Copper-gold – Timok Magmatic Complex (Serbia), Bulgaria, Arizona	**Market Cap (approx.)**	~US$27 – 36 million
Key Partner	BHP (multiple option/earn-in agreements)	**CEO**	Teodora Dechev
Business Model	Generate projects; partner-fund; retain NSR royalties + fees	**Shares Outstanding**	~111 – 112 million
2026 Activity	BHP-funded drilling at multiple Timok targets (Skorusa, South Timok, etc.)	**No Production**	Generator – no AISC or operating mines

1. Company Overview & Investment Thesis

Mundoro Capital Inc. (TSXV: MUN; OTCQB: MUNMF) is a Canadian royalty-generator and prospect-generator company focused on copper and gold systems in the Timok Magmatic Complex of Serbia, Bulgaria, and the Laramide Belt of the southwestern United States (Arizona). The company's model is to generate exploration projects, option them to major partners who fund exploration, and retain NSR royalties together with option, milestone and operator payments. BHP is the principal partner, with option agreements covering multiple Serbian licenses (including a October 2025 agreement on seven Central Timok licenses under which BHP can earn 100% by funding US$35 million over ten years, with Mundoro retaining a 2% NSR). Market capitalization is approximately US$27–36 million. CEO is Teodora Dechev. As a pure generator, Mundoro has no production and no AISC.

Investment Thesis: Mundoro offers leveraged exposure to copper-gold discovery potential in the prolific Timok district through a capital-efficient, partner-funded model that builds a portfolio of embedded NSR royalties and generates near-term fee income. The presence of BHP as a major partner validates the technical quality of the targets. Key risks include exploration success rates, dependence on partner funding and continued interest, commodity-price volatility, and the small absolute market capitalization. Relative to producing royalty companies, MUNMF ranks higher risk as a pure generator; relative to unpartnered junior explorers, the major-company backing and royalty-retention model reduce risk.

2. Mining and Development Projects

Mundoro does not operate mines. Its portfolio consists of exploration licenses optioned or available for option, primarily in the Timok Magmatic Complex, with additional interests in Bulgaria and Arizona.

2.1 Timok Magmatic Complex – Serbia (BHP Partnered)

Location / Ownership	Central and South Timok, Serbia – multiple exploration licenses under BHP option agreements; additional targets
Metals / Interest	Copper and gold – porphyry, epithermal, skarn and related systems; Mundoro retains 2% NSR on optioned licenses
Status	Active BHP-funded drilling 2026 (Skorusa East, South Timok 2,500 m program, Tilva Rosh and others); Central Timok option (7 licenses) – BHP can earn 100% by funding US$35M over 10 years
Key Metrics / Work	Option payments, milestone payments (up to US$10M on Central Timok package) and operator fees provide near-term cash; 2% NSR retained on success
Notes	Core value driver; Timok is a world-class Cu-Au district (Bor, Cukaru Peki, Majdanpek, etc.)
Outlook / Catalysts	Assay results from 2026 BHP-funded programs, further target testing, and continued partner engagement are primary near-term catalysts

2.2 Bulgaria JV & USA (Arizona) Portfolio

Location / Ownership	Bulgaria – Iskar (EE1) JV with JOGMEC (51% JOGMEC / 49% Mundoro); Arizona – Dos Cabezas, Picacho, Copperopolis and related Laramide Belt properties
Metals / Interest	Copper (sediment-hosted and porphyry) in Bulgaria; copper-gold in Arizona
Status	Bulgaria: target definition, drill permitting underway; Arizona: exploration-stage properties held 100% or under property agreements
Key Metrics / Work	JOGMEC earn-in structure provides partner funding; Arizona assets offer North American optionality
Notes	Diversifies geographic and partner risk beyond the core Serbian portfolio
Outlook / Catalysts	Drill permitting and initial programs in Bulgaria; any advancement or partnering of Arizona assets

3. Exploration & Development Activity

Near-term focus is the execution of multiple BHP-funded drill programs across Central and South Timok targets in 2026 (Skorusa East, South Timok, Tilva Rosh and others), receipt and interpretation of assay results, continued generation of new targets, and the collection of option, operator and milestone payments. Success metrics are positive drill results, expansion of partner-funded work, and the progressive build-out of the royalty portfolio.

4. Management and Board of Directors

Management

Name	Title	Notes	Experience / Focus
Teodora Dechev	President, CEO & Director	Leadership	Overall strategy, partner negotiations, Timok portfolio advancement and capital allocation
Mireia Cervera Medina	CFO	Finance	Financial reporting, liquidity and corporate finance
Dr. Richard Jemielita	Chief Geologist	Technical	Geological targeting, program design and interpretation across the portfolio

Board of Directors

Name / Group	Role	Key Background
Board (collective)	Governance	Oversight of exploration strategy, partner agreements, capital structure and risk
Independent directors	Oversight	Mining, exploration and capital-markets experience (including recent addition of experienced porphyry discoverer)

5. Financial Information

Mundoro is a pre-revenue exploration and royalty-generator company. Near-term cash flow is derived from option payments, operator fees and potential milestone payments under partner agreements (particularly with BHP). Market capitalization is approximately US$27–36 million with roughly 111–112 million shares outstanding. The partner-funded model is designed to minimize dilution while building a portfolio of NSR royalties. Exact current cash balances should be confirmed from the latest quarterly financial statements.

Capital / Partnership Summary

Line Item	Amount / Notes
Market capitalization (approx.)	~US$27 – 36 million
Shares outstanding	~111 – 112 million
Primary partner	BHP (multiple Serbian option agreements)
Central Timok BHP option	US$35M earn-in over 10 years; 2% NSR retained; milestones up to US$10M
Business model	Royalty generator – partner-funded exploration + NSR retention
2026 drilling	Multiple BHP-funded programs (Skorusa, South Timok, etc.)

Corporate Summary

Item	Value / Notes
Primary listings	TSXV (MUN); OTCQB (MUNMF)
CEO	Teodora Dechev
Core district	Timok Magmatic Complex, Serbia
Strategy	Generate, option to majors, retain NSR + fees

6. Company Valuation

At a market capitalization of approximately US$27–36 million, Mundoro trades as a small-cap royalty generator with major-company partnerships in a world-class copper-gold belt. Valuation is driven by the perceived discovery potential of the Timok portfolio, the quality and terms of the BHP (and other) option agreements, the embedded NSR royalties, and near-term fee income.

Discounted NPV discussion: Traditional mine NPV does not apply. A practical framework assigns probability-weighted values to potential discoveries and to the portfolio of retained NSRs based on geological merit, partner quality, and peer transaction multiples, then adds the present value of contracted option/milestone/operator payments and net cash. Key sensitivities are exploration success, copper and gold prices, and the continued commitment of BHP and other partners. Positive drill results from the 2026 BHP-funded programs and any expansion of partner agreements are the primary near-term valuation catalysts.

Merger & Acquisition Activity

Mundoro's primary activity is project-level option and earn-in agreements with major partners (notably BHP and JOGMEC) rather than corporate takeovers. The company continues to generate and option licenses while retaining NSR upside. No formal public takeover offer for Mundoro has been announced. As a pure-play Timok-focused royalty generator with demonstrated major-company partnerships, it remains a potential strategic interest for larger exploration or royalty companies seeking exposure to the Western Tethyan Belt, while management continues to execute on the current partner-funded model.

7. Risks

- Exploration risk – no guarantee of economic discovery.
- Dependence on BHP and other partners to continue funding and advancing programs.
- Copper and gold price volatility.
- Jurisdictional and permitting risk in Serbia, Bulgaria and the United States.
- Dilution risk if corporate costs or sole-funded work require equity issuance.
- Liquidity and capital-markets access typical of small-cap juniors.
- Timelines from discovery to resource definition and potential royalty cash flow are multi-year.

8. Comparative Risk Analysis

On a relative-risk scale of 1 to 7 (1 = lowest risk, 7 = highest risk) versus other junior copper-gold royalty generators and prospect generators, Mundoro Capital is ranked **5**. The ranking reflects moderate-to-elevated risk: a pure exploration/generator model with no production, offset by the presence of a tier-one partner (BHP) funding multiple programs in a world-class district (Timok), a clear royalty-retention structure, and near-term fee income. Positive factors include the quality of the Timok Magmatic Complex, the scale of BHP's earn-in commitments, and the capital-efficient business model. Offsetting factors are the binary nature of exploration outcomes and the multi-year path to material royalty cash flow. Relative to unpartnered junior explorers, MUNMF ranks lower risk; relative to producing royalty companies, residual exploration risk keeps the ranking above the midpoint. The net result is a risk ranking of 5.

Sources: Company Q1 2026 results, July 2026 corporate presentation, BHP option agreement disclosures, 2026 exploration updates, and market data as of mid-August 2026.