K92 MINING INC.

("K92" or "the Company")

FORM 51-102F1

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED DECEMBER 31, 2024

Introduction

This Management's Discussion and Analysis ("**MD&A**") of K92 Mining Inc. (including its wholly owned subsidiaries, K92 Holdings International Limited (incorporated in British Virgin Islands), K92 Mining (Australia) Pty Ltd. (incorporated in Australia), K92 Mining Ltd. (incorporated in Papua New Guinea), and Kainantu Employee Trust Ltd. (incorporated in Canada)) is the responsibility of management and covers the year ended December 31, 2024. The MD&A takes into account information available up to and including March 16, 2025 and should be read together with the audited consolidated financial statements for the year ended December 31, 2024, which have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards), and is presented in thousands of United States dollars, except share and per share amounts, or unless otherwise indicated.

Throughout this document the terms *we, us, our, the Company* and *K92* refer to K92 Mining Inc.

Additional information related to the Company is available for view on SEDAR+ at www.sedarplus.ca and on the Company's website at www.k92mining.com.

This document contains forward-looking statements. Please refer to "Note Regarding Forward-Looking Statements." Forward-looking statements are necessarily based on estimates and assumptions that are inherently subject to known and unknown risks, uncertainties and other factors, many of which are beyond our ability to control, that may cause our actual results, level of activity, performance or achievements to be materially different from those expressed or implied by such forward-looking information. Please refer to the "Risk Factors" section included in the Company's Annual Information Form.

Description of Business

K92 Mining Inc. was incorporated pursuant to the provisions of the *Business Corporations Act* (British Columbia) on March 22, 2010. The Company's shares are listed on the Toronto Stock Exchange ("**TSX**") under the symbol "KNT" and quoted on the OTCQX under the symbol "KNTNF." The Company is a high-grade gold producer headquartered in Vancouver, Canada, and is currently engaged in the production of gold, copper, and silver at the Kainantu Gold Mine in Papua New Guinea ("**PNG**"), as well as the exploration and development of mineral deposits in the immediate vicinity of the mine, including Blue Lake and Arakompa.

Summary of Key Operating and Financial Results

(in thousands of United States Dollars, except per share amounts)		Three months ended December 31, 2024	Three months ended December 31, 2023	Year ended December 31, 2024	Year ended December 31, 2023
Operating data					
Ore mined	t	97,016	155,062	419,611	506,318
Ore processed	t	96,614	151,908	427,821	503,484
Feed grade	g/t	17.3	7.4	10.7	6.8
Gold produced	oz	51,371	33,309	139,123	100,533
Gold equivalent produced[1]	oz	53,401	39,101	149,515	117,607
Gold sold	oz	48,851	33,273	141,159	97,355
Cash costs per gold ounce sold[2]	$/oz	483	430	664	585
All-in sustaining costs per gold ounce sold[2]	$/oz	837	1,062	1,066	1,162
Financial data					
Revenue	$	120,285	75,316	350,623	200,255
Cost of sales	$	32,582	35,939	142,237	111,388
Net earnings	$	55,524	19,980	111,224	33,163
Cash flow from operating activities	$	73,988	31,540	185,088	74,430
Cash and cash equivalents, ending balance	$	140,073	72,652	140,073	72,652
Basic earnings per share	$/sh	0.23	0.09	0.47	0.14
Diluted earnings per share	$/sh	0.23	0.08	0.46	0.14

Performance Summary

Operational – Year Ended December 31, 2024

- **Record Gold Production:** 139,123 ounces of gold or 149,515 ounces of gold equivalent ("**AuEq**") produced in 2024, compared to 100,533 ounces of gold or 117,607 ounces of AuEq produced in 2023, significantly exceeding the production guidance range of 120,000 to 140,000 ounces AuEq. The increase in gold production is primarily due to higher head grades, an improvement in recovery and a positive grade reconciliation for both gold and copper versus the latest independent mineral resource model. The increase in production occurred despite the temporary suspension of operations for approximately a month due to a non-industrial fatal incident (*see March 19 and April 8, 2024, press releases*), which significantly impacted March and April production. During the three months ended December 31, 2024 ("**Q4 2024**"), the Company also achieved record quarterly production of 51,371 ounces of gold or 53,401 ounces AuEq, representing a 37% increase from Q4 2023 and a 21% increase from the previous quarterly record set in Q3 2024.[1]

- **Ore Mined:** 419,611 tonnes of ore mined in 2024, representing a 17% decrease compared to 506,318 tonnes mined in 2023, primarily due to the temporary suspension of underground operations as noted above.

- **Ore Processed:** 427,821 tonnes of ore processed in 2024, representing a 15% decrease compared to 503,484 tonnes in 2023. In the second half of 2024, throughput was optimized to maximize recoveries at the higher feed grade.

- **Record Metallurgical Recoveries:** 94.6% gold and 94.1% copper recoveries were achieved in 2024, compared to 91.5% gold and 92.8% copper recoveries in 2023. The Company also achieved record gold recoveries in Q4 2024 of 96.4%, and near-record recoveries of 94.7% for copper, with December achieving record monthly recoveries of 97.1% for gold and 96.1% for copper.

[1] Gold equivalent calculated based on gold $2,450 per ounce (2023 - $1,950), silver $28.41 per ounce (2023 - $23.00) and copper $4.15 per pound (2023 - $3.83).

- **Mine Development:** A total of 8,400 metres of mine lateral development was completed in 2024. Development rates are well-positioned to increase in Q2, 2025 to 1,000 meters per month, meeting the requirements for the Stage 3 Expansion run rate, and are expected to further increase later this year to 1,200 meters per month to support the Stage 4 Expansion run rate. These increases will be driven by several factors: the interim ventilation system upgrade (completed and operational since early January 2025); the completion of multiple infrastructure upgrades over the first half of 2025, including the Puma ventilation drive with two 2 MW fans in Q3 2025 and the first ore/waste pass to the twin incline; a significant increase in available headings from the opening of two new mining fronts; the phased introduction of additional equipment already on-site or due for delivery in 2025 as available headings expand; and the execution of various identified productivity initiatives.

- **Head Grade:** 10.7 g/t gold, 0.55% copper, and 12.2 g/t silver (11.5 g/t AuEq) in 2024. In Q4 2024, the gold equivalent head grade was the highest since Q2 2020, coming in above budget at 18.0 g/t AuEq, with 17.3 g/t gold, 0.47% copper, and 15.2 g/t silver, benefiting from higher-grade stopes at Kora and Judd, along with a notable positive gold grade reconciliation and a moderate positive copper grade reconciliation compared to the latest independent mineral resource model.

- **Cash Costs:** $664 per gold ounce in 2024 versus $585 per gold ounce in 2023. The increase was primarily due to higher cost of sales versus the comparative period as a result of expenditures incurred during the temporary suspension that were expensed directly to cost of sales, lower amounts of capitalized development ($46.7 million in 2023 versus $32.6 million in 2024), and lower amounts of by-product credits ($28.3 million in 2023 versus $20.4 million in 2024), offset by an increase in gold ounces sold, increasing from 97,355 ounces in 2023 to 141,159 ounces in 2024.[2]

- **All-in Sustaining Costs:** $1,066 per gold ounce in 2024 versus $1,162 per gold ounce in 2023, including $45.9 million in sustaining capital in 2024, compared to $48.2 million last year. The decrease is primarily due to the increase in gold ounces sold, offset by the higher costs of sales referenced earlier.[2]

Financial – Year Ended December 31, 2024

- **Revenue:** The company generated $345.4 million in revenue in 2024, an increase of $142.7 million from 2023 ($202.7 million) before pricing and quantity adjustments. Net revenue, which includes fair value adjustments to settlement receivables, was $350.6 million in 2024 compared to $200.3 million in 2023. Sales of gold in concentrate and doré increased by 45% to 141,159 ounces in 2024 from 97,355 ounces in 2023, resulting in $92.5 million in higher revenues. Additionally, a 26% increase in the average payable gold price (from $1,869/ounce in 2023 to $2,356/ounce in 2024) contributed $58.0 million in additional revenue.[3]

- **Cash and Cash Equivalents:** $140.1 million as of December 31, 2024, compared to $72.7 million as of December 31, 2023. During the period, the Company spent $117.2 million on expansion capital, $16.5 million on exploration activities, and purchased $20.0 million in term deposits held as restricted cash.[4]

- **Operating Cash Flow:** $170.4 million in operating cash flow (prior to working capital adjustments) in 2024 compared to $82.1 million in 2023.[5]

- **Gross Margins:** 59% before and after pricing adjustments in 2024, compared to 45% and 44%, respectively, in 2023. The improvement was primarily driven by an increase in gold ounces sold and higher average payable gold prices.[6]

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[2] Non-IFRS – the definition and reconciliation of these measures are included in the non-IFRS performance measures section of this MD&A.

[3] Average payable gold price is calculated by the average finalized gold price during the period multiplied by the payable percentage under the off-take agreement.

[4] Expansion capital is calculated as the costs associated with the Twin Incline, Puma Ventilation Drive, Stage 3 Expansion, and other expansion where these projects are anticipated to increase future production.

[5] Non-IFRS performance measure. Operating cash flow (prior to working capital adjustments) is calculated as the net cash provided by operating activities less the changes in non-cash working capital items.

[6] Non-IFRS performance measure. Gross margin before pricing adjustments is calculated using earnings from operations excluding pricing adjustments divided by revenue excluding pricing adjustments.

- **EBITDA:** $196.5 million in 2024, compared to $84.1 million in 2023.[2]

- **Income Tax Payments:** $28.8 million in 2024 compared to $11.5 million in 2023.

Expansion – Year Ended December 31, 2024

- **Stage 3 Expansion Progress:** Construction on the Stage 3 Expansion Plant is advancing well, with steelwork, mechanical, and piping activities progressing alongside the completion of civil works, additionally, all long-lead items for the process plant have arrived on-site. Construction is most advanced at the grinding circuit (SAG + Ball), which remains the critical path for the process plant construction schedule. The Company aims to commence commissioning the Stage 3 Expansion plant in the second half of Q2 2025.

- **Pastefill Plant:** Tailings management upgrades are incorporated in the Stage 3 and 4 Expansions through the construction of a pastefill plant to provide improved underground backfill support and improve mining flexibility, while also reducing surface tailings deposition needs. Commissioning of the pastefill plant is expected in Q4 2025.

- **Exploration and Drilling Operations:** Exploration is primarily focused on resource growth, with up to 11 drill rigs operating at Kora, Kora South, Judd, Judd South, Arakompa, and the A1 porphyry target.

- **Vertical Development**: The Company continues to make significant progress in its vertical development activities. In 2024, the larger raise bore rig successfully completed a 240-metre shaft, a key component of the major ventilation upgrade connecting the main mine to the twin incline. Following this milestone, the Company commenced development of the ore and waste pass system to improve material transport efficiency. Raise boring for the first ore and waste pass is scheduled for completion in Q1 2025, with full operational status expected by late Q2 2025. Meanwhile, the smaller raise bore rig remains focused on short raises between levels, supporting ventilation, escapeways, and essential service infrastructure.

Corporate – Year Ended December 31, 2024

- **Loan Agreement with Trafigura:** On June 19, 2024, K92 Mining Inc. and K92 Mining Limited entered into two separate credit facilities with Trafigura Pte Ltd ("**Trafigura**"), whereby each K92 company can borrow up to $100.0 million but together only up to $120.0 million (together the "**Loan**"), with an accordion feature (the "**Accordion Feature**") that allows for an increase in the aggregate amount available to $150.0 million. The Accordion Feature becomes effective by mutual agreement between the Company and Trafigura. The Loan is intended for general corporate purposes, working capital, and capital expenditures. The Loan matures on June 19, 2028 and bears interest at the applicable reference rate based on the Secured Overnight Financing Rate ("**SOFR**") plus a margin of 3.4%. Principal payments are due quarterly in equal instalments on March 31, June 30, September 30 and December 31 of each year beginning September 30, 2025. Interest is treated on an accrual basis, with interest payable at the end of each three-month period commencing after the withdrawal date. The Loan has been recorded as a financial liability at amortized cost and is measured net of transaction costs. Transaction costs associated with the Loan were $1.1 million and are amortized over the life of the Loan.

  All conditions precedent for the advance of $100.0 million under the K92 Mining Inc. credit facility ("**Canadian Credit Facility**") and up to $20.0 million under the K92 Mining Limited credit facility (the "**PNG Credit Facility**") were satisfied. The Canadian Credit Facility is secured by a pledge of the shares in the Company's subsidiaries and, in the event of a default, contains a conversion right into common shares of the Company. The Company drew $40.0 million from the Canadian Credit Facility on June 26, 2024.

  The PNG Credit Facility is secured by $20.0 million in restricted cash, provided through an advance under the Canadian Credit Facility. At December 31, 2024, the Company held restricted cash of $20.0 million, consisting of term deposits designated for security under the Canadian Credit Facility. The Company drew $20.0 million from the PNG Credit Facility on July 18, 2024.

Subsequent to December 31, 2024, the Company drew $20.0 million from the Canadian Credit Facility and repaid the PNG Credit Facility in full. As a result, the Company no longer holds any cash designated as restricted cash for the purposes of security under the Loan. As at the date of this MD&A, the Company has $60 million drawn under the Canadian Credit Facility and $Nil drawn under the PNG Credit Facility.

- **New Offtake Agreement:** Concurrently on June 19, 2024, the Company's Papua New Guinea subsidiary, K92 Mining Limited., entered into a new offtake agreement (the "**New Offtake Agreement**") with the Trafigura, replacing the amended offtake agreement announced on September 26, 2023, that did not come into effect (the "**Amended and Restated Offtake Agreement**"). Key terms of the New Offtake Agreement remain substantially the same as the Amended and Restated Offtake Agreement described in the Company's September 26, 2023 press release. The New Offtake Agreement is a revision to the existing offtake agreement which remains in effect until December 31, 2025. From that date, the New Offtake Agreement will commence and continue for an additional seven consecutive calendar years, or until a minimum of 600,000 dry metric tons of concentrate have been delivered. Under the New Offtake Agreement, Trafigura will purchase gold and copper concentrates from the Kainantu Gold Mine in Papua New Guinea at London Metals Exchange spot prices, with improved terms compared to the existing contract. The New Offtake Agreement has received regulatory approval in Papua New Guinea subject to compliance with certain conditions, including but not limited to, K92 Mining Limited observing the conditions of its gold export license.

- **Derivative Instruments:** Reduced exposure to gold price fluctuations during the provisional pricing period by entering into short-term commodity contracts with a total of 25,657 ounces of gold hedged at December 31, 2024. The Company also purchased gold put option contracts with the option to financially settle 12,500 ounces of gold per month over a nine-month period, beginning October 2024, at a strike price of $2,400 per ounce, with 75,000 gold oz hedged at December 31, 2024. The commodity contracts resulted in a $8.9 million loss, while the expiry and valuation of put option contracts resulted in a $0.7 million loss, totaling $9.6 million for the year ended December 31, 2024.

Last 4 Quarters of Production Data

		2024				
		Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total
Tonnes processed	t	130,632	95,582	104,992	96,614	427,821
Feed grade Au	g/t	6.4	7.5	13.0	17.3	10.7
Feed grade Cu	%	0.55	0.62	0.58	0.47	0.55
Recovery (%) Au	%	90.7	93.7	95.3	96.4	94.6
Recovery (%) Cu	%	91.9	95.3	95.1	94.7	94.1
Metal in concentrate produced Au	oz	24,389	21,661	41,702	51,371	139,123
Metal in concentrate produced Cu	t	655	565	580	435	2,235
Metal in concentrate produced Ag	oz	35,650	26,754	37,613	41,992	142,009
Gold equivalent ounces produced	oz	27,462	24,347	44,304	53,401	149,515

2025 Operational Outlook

- Gold equivalent production of 160,000 - 185,000 ounces, a significant increase from the record 2024 production of 149,515 oz AuEq. The strongest production is expected in the second half of the year, driven by the Stage 3 Expansion commissioning and ramp-up, with stockpiling ahead of commissioning in Q2 2025.

- Cash costs of $710 - $770 per ounce gold and AISC of $1,460 - $1,560 per ounce gold. On a co-product basis, cash costs of $830 - $890 per ounce AuEq and AISC of $1,490 - $1,590 per ounce AuEq. Sustaining capital is weighted toward the first half of the year, with AISC expected to decline significantly in H2 2025 following the Stage 3 Expansion commissioning and ramp-up.

- Exploration expenditures of $17 - $20 million. Surface exploration plans to focus on Arakompa, Maniape, Kora South, Judd South, plus increased exploration activity within the Mati, Mesoan and Bona Creek veins proximal to the Kora and Judd deposits. Underground drilling plans to focus on Kora, Kora South, Kora Deeps, Judd, Judd South, and Judd Deeps.

- Growth capital is forecasted at $105 - $110 million for 2025. As at December 31, 2024, 70% of the Stage 3 and 4 Expansion growth capital was either spent or committed.

Operations

The Company holds the mining rights to Mining Lease 150 ("**ML150**") which is due for renewal on June 13, 2034.

During Q4 2024, the Company produced 53,401 ounces AuEq or 51,371 ounces of gold, 958,312 pounds of copper and 41,992 ounces of silver. In 2024, the Company produced 149,515 AuEq or 139,123 ounces of gold, 4,926,738 pounds of copper and 142,009 ounces of silver.

During Q4 2024, the process plant processed 96,614 tonnes, with a head grade averaging 18.0 g/t AuEq or 17.3 g/t gold, 0.47% copper and 15.2 g/t silver. Gold grades were above budget driven by higher grade stopes, in addition to a moderate positive gold grade reconciliation when compared with the independent mineral resource model for both gold and copper. Throughput was deliberately reduced to maximize recoveries at the higher feed grade.

Strong metallurgical recoveries were also achieved, with record recoveries for gold, averaging 96.4%, and near-record recoveries of 94.7% for copper during the quarter, and a record monthly gold recovery of 97.1% and copper recovery of 96.1% in December.

In Q4 2024, the mine delivered 97,016 tonnes of ore mined across 12 levels, including the 1090, 1285, 1305, 1345, and 1365 levels at Kora, and the 1170, 1185, 1205, 1265, 1305, 1325, and 1365 levels at Judd. Total material movements (ore plus waste) reached 306,430 tonnes in the quarter, marking the second-highest on record. Long hole open stoping performed to design. Overall mine development totaled 2,571 metres, an increase of 381 metres, or 17%, from the prior quarter.

Development rates are well positioned to continue increasing, targeting 1,000 metres per month in the near term for the Stage 3 Expansion and later reaching 1,200 metres per month to support the Stage 4 Expansion ramp-up. This is driven by the recent completion of the interim ventilation upgrade, was implemented in early January 2025; the completion of the Stage 2 interim clean water supply upgrade in the second half of January 2025; and the sequential completion of key infrastructure projects over the next two quarters, including the Puma ventilation drive (two x 2 MW fans operational – early Q3 2025) and the first ore pass/waste pass (raise bore completion in Q1 2025, fully operational by late Q2 2025). Additional drivers include a significant increase in available headings as two mining fronts (twin incline and front below the main mine) are opened, the progressive introduction of multiple jumbos and equipment already on-site as headings increase, and the execution of various identified productivity initiatives.

Capital Expenditure

Stage 3 Expansion

In December 2022, K92's Board of Directors approved the Kainantu Gold Mine's Stage 3 and 4 Expansions. The Expansions are expected to be transformational for Kainantu. The Stage 3 Expansion is set to increase annual throughput to 1.2 mtpa, while Stage 4 Expansion aims for 1.8 mtpa—representing 100% and 200% increases, respectively, compared to the 600,000 tpa upgraded Stage 2A Expansion throughput capacity.

Construction on the Stage 3 Expansion Plant is progressing well, with the start of commissioning targeted for the second half of Q2 2025. All of the long-lead items for the process plant have arrived on-site, with construction most advanced at the grinding circuit (SAG + Ball), which remains the critical path for the mill construction schedule. The Stage 3 process plant package, awarded to GR Engineering Services Limited on a lump-sum fixed price basis, has de-risked project execution by mitigating cost inflation impact.

The paste fill plant is also advancing, with all long-lead items ordered and the detailed engineering contract awarded to GR Engineering Services Limited. Site preparation is complete, with the location and layout confirmed, and fencing work finished. Additionally, the river crossing and haul road upgrade construction contract has been awarded, marking further progress in site infrastructure development.

Twin Incline Development

Development of the twin incline is effectively complete and was focused on extending the Level 950 incline to connect with the main mine, which is advancing downward from Level 1090.

The twin incline will enhance production capabilities, support the Stage 3 and Stage 4 Expansions, and accommodate future growth.

Ore Pass System

A 240-metre shaft was successfully completed by the larger raise bore rig as part of a major ventilation upgrade linking the main mine to the twin incline. Development of the ore and waste pass system is underway to improve material transport efficiency, with raise boring for the first ore and waste pass completed in early Q1 2025 and full operational status is expected by late Q2 2025. The smaller raise bore rig continues to complete short raises between levels, supporting ventilation, escapeways, and essential service infrastructure.

Puma Ventilation Incline

The Puma ventilation incline is scheduled for completion in Q3 2025. Once the ventilation upgrade is complete, the existing Puma incline, that currently serves as the mine's primary exhaust, will be repurposed as an intake, enhancing overall airflow and ventilation efficiency.

Exploration

Underground grade control and exploration

Kora and Judd Vein System

The Company continued its diamond drilling programs from underground using six Company owned drill rigs at the Kora and Judd deposits for exploration upgrading inferred to measured and indicated resource and grade control. Since the last mineral resource estimate ("**MRE**") of the Kora and Judd Vein System, effective date of September 12, 2023, the Company has added another 239 drill holes into the Kora and Judd deposits. The Kora/Judd drilling continues to encounter the Kora and Judd lode systems in both underground and surface drilling.

Please see the Company's news release dated December 5, 2023, *'K92 Mining Reports Updated Kora and Judd Resource Estimate - Measured and Indicated Resource of 2.6 Moz AuEq and Inferred Resource of 4.5 Moz AuEq'* for the latest resource estimate update at the Kora and Judd deposits.

Please see the Company's news release, dated December 3, 2024, *'K92 Mining Announces Multiple New Near-Mine Infrastructure Dilatant Zones Identified and High-Grade Zones Extended'* for the latest drill results from the underground and surface diamond drilling programs at Kora and Judd.

The Kora and Judd Vein Systems run parallel to each other, Judd is situated to the east of Kora. The mineralization style of Kora and Judd are similar, characterized mainly by gold-copper-silver sulphide veins, similar to an intrusion related gold copper ("**IRGC**") deposit type. The company continues its underground and surface drilling programs to explore the extents of the Kora and Judd Vein Systems, focusing on unexplored/ open areas to the South along strike, and down dip at depth.

Ore extraction from both Kora and Judd is ongoing, through development and long hole stoping.

Surface Exploration

Exploration drilling was conducted at Kora South/Judd South (EL470) and Arakompa (EL693). During Q4 2024, 10 holes were completed and an additional five are currently in progress, totaling 4730.9 meters.

Surface geochemical sampling and detailed geological mapping has continued at the Onenofi (EL2620), Arakompa (EL693) and Mati-Mesoan (EL693/EL470) prospects. A total of 1933 geochemical samples were collected. During Q4 trench sampling started at Mati-Mesoan (EL693/EL470) and Onenofi (EL2620). A total of 10 trenches have been completed and an additional two are currently in progress. A total of 193 trench samples were collected.

Arakompa (EL693)

Drilling has continued at Arakompa with up to four rigs targeting the strike and depth extent of the lodes. Drilling continues to be promising as the drilling has highlighted significant depth and strike continuity of the mineralization. During Q4 2024, nine holes were completed and an additional four are currently in progress, totaling 4,194.6 meters.

Please see the Company's news release, dated October 22 2024, '*K92 Mining Announces Significant Strike Extension to the South at Arakompa and Discovery of Potential Thick High-Grade Zone'* for the latest drill results from the Arakompa drilling program.

Kora South/Judd South (EL470)

During Q4 2024, the Kora program has continued with the second hole currently in progress testing the depth and strike extension of the Kora and Judd lodes, immediately SW and along strike of ML150. The hole in progress will drill to approximately 850 meters. Drilling to date has continued to extend the Kora/Judd Vein system beyond the limits of the current Mining Lease.

Qualified Persons

K92 Interim Vice President of Exploration, Andrew Kohler, PGeo, a qualified person under the meaning of Canadian National Instrument 43-101 – Standards Disclosure for Mineral Projects ("**NI 43-101**"), has reviewed and is responsible for the technical content in the underground grade control and exploration section of the MD&A. Data verification by Mr. Kohler includes significant time onsite reviewing drill core, face sampling, underground workings, and discussing work programs and results with geology and mining personnel.

Health and Safety

The Company completed the fourth quarter of 2024 and full year with zero lost-time injuries, marking 553 days without a lost-time incident at its operations. As of December 31, 2024, the Company's lost-time injury frequency rate (LTIFR) was zero and its total recordable injury frequency rate (TRIFR) was 0.69. Both rates are calculated per 1,000,000 hours worked and include both employees and contractors.

Throughout 2024, the Company continued to implement its three-year Health, Safety, and Security strategic plan. Key initiatives include the ongoing rollout of enhanced critical risk control standards, a behavioral safety program focused on quick safety observations, training, and independent audits of operational safety management systems.

Community Relations

Memorandum of Agreement ("MOA")

The Company continues to work towards signing of the revised MOA that provides a framework for the relationship between the Company, the Community, and Government and sets out commitments from the various parties. In July 2020, the Company had a formal MOA meeting involving local landowners, the State, and the Provincial Government. Attending the meeting were representatives from local clans, the PNG

Mining Minister, the Managing Director of the Mineral Resources Authority of PNG, and the Provincial Governor. The parties agreed in principle on a revised MOA, that requires approval from the National Executive Council of the PNG Government. The original MOA framework will remain in place as mining operations and associated expansions continue, until a new MOA is formally approved.

Community Programs

The Company has been actively engaged in community programs aimed at improving the quality of life for local communities. The programs supporting community development include freshwater systems, road maintenance, medical clinic funding, school refurbishment, adult literacy programs, agricultural livelihood and training programs, and support for small enterprises.

The Company continues to advance initiatives under the Infrastructure Tax Credit Scheme ("**ITCS**") of the PNG Government, through which up to 2% of the Company's assessable income can be allocated by the Company for spending on approved community projects, including local infrastructure, health programs, and educational initiatives, and deducted from future corporate tax payable. This is in addition to the Company's various community and social programs. The Company continues to work with local stakeholders to advance its first ITCS project, which was approved for implementation by the PNG Department of National Planning in December 2023 for local road upgrades. In May 2024, a contract totaling $6.1 million was awarded to a local contractor to complete the works and construction of the road. As at December 31, 2024, physical completion of the road stood at 16%.

In December 2024, the Company was recognized with the 2024 Outstanding Community Humanitarian Initiative award by the PNG Chamber of Resources and Energy. It was the third consecutive year the Company was recognized with an award, which this year recognized the Company's sustainable agriculture program. The program includes 10 local farms across more than 66 hectares with produce delivered to local and regional vendors and the mine's camp dining facilities. Beneficiaries include 210 local farmers, 75% of whom are women.

The Company continues to implement its Adult Literacy Program in partnership with local communities. The program, which was initiated by the Company in late 2019, offers three levels of literacy in English and Tok Pisin, the local language in PNG, for those with limited or no literacy skills. In 2024, 460 participants graduated from the program, 90% of whom were women.

Education Initiatives

The Company is committed to supporting education and skills development in the PNG mining industry through various programs and initiatives.

In 2024, the Company awarded 58 scholarships to children of local landowners pursuing post-secondary education. Additionally, the K92 Mining Tertiary Scholarship Program provided six scholarships to local students studying mineral processing, mine engineering, geology, and agriculture. The Company also partnered with a local organization to offer two Women in Mining scholarships for students in logistics, commercial studies, and business management.

Furthering its commitment to education, the Company has signed multiple Memoranda of Understanding with PNG universities. These agreements promote mutual benefits, including financial support for universities, student work experience, technical collaboration, and project development.

The Company also assists employees with school enrollment fees, covering 50% of primary and secondary school fees for their children, provided the employee contributes the remaining 50%.

Local Business Opportunities

The Company has created multiple business opportunities for the local communities in the vicinity of the Kainantu Gold Mine to benefit from its operation. These include four major joint venture contracts between local communities and PNG companies for the provision of services, as well as numerous smaller contracts with local businesses. The major contracts include catering and camp management, security, road transportation, and ancillary mobile services. During the year ended December 31, 2024, these contracts generated $28.0 million in revenue, supporting local communities.

Sustainability

The Company's annual sustainability report for 2024 is expected to be released in Q2 2025. The report will provide an overview of the Company's environmental, social and governance ("**ESG**") priorities and performance. The report is being prepared in alignment with the Sustainability Accounting Standards Board (SASB) Metals and Mining Standard. The Company is closely monitoring developments of the Canadian Sustainability Disclosures Standards (CSDS) following their release by the Canadian Sustainability Standards Board (CSSB) in December 2024.

By May 31, 2025, the Company will release its annual report pursuant to the Canadian Fighting Against Forced Labour and Child Labour in Supply Chains Act (the Act). The Company is considered an "Entity" under the Act and, as such, is required to meet the annual disclosure requirements of the Act. Ongoing associated due diligence continues to advance to support annual disclosure requirements. The Company's existing disclosures related to the Act are available on the Company's website.

Selected Annual Information

The following table provides a brief summary of the Company's financial operations. For more detailed information, refer to the consolidated financial statements.

	Year ended December 31, 2024	Year ended December 31, 2023	Year ended December 31, 2022
Net income	$ 111,224	$ 33,163	$ 35,523
Revenue	350,623	200,255	188,186
Basic income per share	0.47	0.14	0.16
Diluted income per share	0.46	0.14	0.15
Total assets	628,269	412,832	370,715
Working capital	116,968	99,623	125,171
Total non-current liabilities	61,233	14,066	13,251

Results of Operations for the year ended December 31, 2024 as compared to December 31, 2023

In 2024, the Company had net earnings of $111.2 million (2023 – $33.2 million) and earnings before taxes of $164.8 million (2023 - $51.3 million). Significant items making up the earnings, and changes from the prior year, are as follows:

Revenue of $350.6 million (2023 - $200.3 million) from the sale of gold concentrate and doré. The increase in revenue is mainly driven by higher gold prices and a greater number of gold ounces sold compared to the prior year.

Cost of sales of $142.2 million (2023 – $111.4 million) include costs associated with mining, processing, mine technical services, maintenance, finance and administration at site, operational health and safety, share-based payments, depreciation and net smelter royalties. The increase in cost of sales is primarily due to lower capitalized development and higher depreciation and depletion resulting from a higher property, plant, and equipment cost basis as well as higher net smelter royalties due to increased sales when compared to prior year.

Earnings from mine operations of $208.4 million (2023 - $88.9 million), which is calculated by subtracting cost of sales from revenue.

General and administrative of $11.2 million (2023 – $7.7 million). The increase is primarily related to an increase in corporate hires and increases in management fees and wages.

Exploration and evaluation expenditures of $16.5 million (2023 – $19.8 million) related to drilling, assaying, trenching, surveying and other related expenditures. The decrease in exploration costs is primarily due to a reduction in underground activities associated with exploration versus the prior year.

Share-based payments of $4.0 million (2023 - $4.7 million) represent options, RSU and PSU grants to directors, employees and consultants of the Company. The decrease in share-based payments primarily relates to the timing, valuation and the number of RSU and PSU instruments vested during the year.

Interest and finance expenses of $1.0 million (2023 – $3.9 million) representing interest and finance expenses recorded on lease agreements and concentrate sales and accretion on the asset retirement obligation. The decrease is primarily due to the capitalization of project related interest and finance expenses that are part of the Stage 3 Expansion.

Interest income of $2.5 million (2023 – $2.9 million) representing interest income earned on cash and cash equivalent balances. The decrease in interest income is due to lower interest rates on cash and restricted cash compared to prior year.

Loss on derivative instruments of $9.6 million (2023 – $2.1 million) relating to realized and unrealized losses on commodity contracts and put options. The loss is primarily driven by the increase in gold prices from $2,062 per ounce on December 31, 2023, to $2,611 per ounce on December 31, 2024.

Income tax expense of $53.6 million (2023 – $18.1 million) relates to current taxes and the estimated use of carryforward tax attributes in PNG.

Summary of Quarterly Results

The table below summarizes the Company's financial data for the past eight quarters. Quarterly figures are derived from unaudited interim financial statements, while year-end balances are based on audited consolidated financial statements.

(in thousands of United States Dollars, except per share amounts)	December 31, 2024	September 30, 2024	June 30, 2024	March 31, 2024
Total assets	$ 628,269	$ 553,539	$ 469,233	$ 421,654
Working capital	116,968	122,828	91,729	89,286
Shareholders' equity	474,740	414,211	365,492	355,649
Revenue	120,285	122,749	47,791	59,798
Net earnings	55,524	46,496	6,137	3,067
Net earnings per share, basic	0.23	0.20	0.03	0.01
Net earnings per share, diluted	0.23	0.19	0.03	0.01
	December 31, 2023	**September 30, 2023**	**June 30, 2023**	**March 31, 2023**
Total assets	$ 412,832	$ 388,271	$ 388,107	$ 371,926
Working capital	99,623	97,335	112,510	117,306
Shareholders' equity	350,892	328,533	327,033	316,340
Revenue	75,316	32,814	51,759	40,366
Net earnings (loss)	19,980	(619)	8,793	5,009
Net earnings (loss) per share, basic	0.09	(0.00)	0.04	0.02
Net earnings (loss) per share, diluted	0.08	(0.00)	0.04	0.02

Total assets have increased over the past eight quarters, primarily due to the construction and completion of the Stage 2 Expansion and the ongoing development of the Stage 3 Expansion. Revenue has also grown during this period, driven by higher production from the Stage 2 Expansion and rising commodity prices.

Results of Operations for the three months ended December 31, 2024 as compared to December 31, 2023

During the three months ended December 31, 2024, the Company had net earnings of $55.5 million (2023 – $20.0 million) and earnings before taxes of $78.9 million (2023 - $28.5 million). Significant items making up the earnings, and changes from the comparative period, are as follows:

Revenue of $120.3 million (2023 - $75.3 million) from the sale of gold concentrate and doré. The increase in revenue is mainly driven by higher gold prices and a greater number of gold ounces sold compared to the prior year.

Cost of sales of $32.6 million (2023 - $35.9 million) include costs associated with mining, processing, mine technical services, maintenance, finance and administration at site, operational health and safety, share-based payments, depreciation and net smelter royalties. The decrease in cost of sales is primarily due to a small inventory build-up compared to the previous period, that led to more costs being allocated to inventory rather than expensed as cost of sales. Stockpile inventory increased from 11,261 tonnes at September 30, 2024, to 14,310 tonnes at December 31, 2024, while concentrate and doré inventory grew from 1,887 oz Au to 4,961 oz Au over the same period.

Earnings from mine operations of $87.7 million (2023 - $39.4 million), which is calculated by subtracting cost of sales from revenue.

General and administrative of $2.9 million (2023 – $2.2 million). The increase is primarily related to an increase in corporate hires and higher management fees and wages.
Exploration and evaluation expenditures of $3.9 million (2023 – $4.4 million) related to drilling, assaying, trenching, surveying and other related expenditures. The decrease in exploration costs is primarily due to a reduction in underground activities associated with exploration versus the comparative period.

Share-based payments of $0.6 million (2023 - $0.8 million) represent options, RSU and PSU grants to directors, employees and consultants of the Company. The decrease in share-based payments primarily relates to the timing, valuation and the number of RSU and PSU instruments vested during the period.

Interest income of $1.2 million (2023 – $0.6 million) representing interest income earned on cash and cash equivalent balances. The increase in interest income is due to higher cash balances versus the comparative period.

Loss on derivative instruments of $1.2 million (2023 – $1.4 million) relating to realized and unrealized losses on commodity contracts and put options.

Income tax expense of $23.4 million (2023 – $8.5 million) relates to current taxes and the estimated use of carryforward tax attributes in Papua New Guinea.

Non-IFRS Performance Measures

This MD&A includes certain non-IFRS performance measures that do not have a standardized meaning prescribed by IFRS Accounting Standards. These measures may differ from those used by other issuers and may not be comparable to such measures as reported by other issuers. The Company believes that these measures are commonly used by certain investors, in conjunction with conventional IFRS Accounting Standards measures, to enhance their understanding of the Company's performance. These measures have been derived from the Company's financial statements and applied on a consistent basis. The following tables below provide a reconciliation of these non-IFRS measures to the most directly comparable IFRS Accounting Standards measure.

Cash Costs per Ounce

Cash costs of sales include all costs absorbed into concentrate inventory, treatment and refining costs, less non-cash items such as depreciation, and by-product credits. Total cash cost per ounce sold is calculated by dividing the aggregate of the applicable costs by gold ounces sold.

All-in Sustaining Cost per Ounce

All-in sustaining costs of sales include all cash costs above plus accretion of environmental provisions, corporate costs and sustaining capital expenditures. Total all-in sustaining cost per ounce sold is calculated by dividing the aggregate of the applicable costs by gold ounces sold.

(In thousands of United States Dollars, except as noted)	Three months ended December 31, 2024	Three months ended December 31, 2023	Year ended December 31, 2024	Year ended December 31, 2023
Cost of Sales	$ 32,582	$ 35,939	$ 142,237	$ 111,388
Add: treatment and refining costs	2,130	2,662	7,563	7,626
Less: non-cash costs included into cost of sales	(1,280)	(704)	(2,484)	(1,857)
Less: depreciation and depletion	(6,158)	(11,883)	(33,263)	(31,855)
Less: by-product credits	(3,667)	(11,721)	(20,376)	(28,322)
Cash cost of sales	$ 23,607	$ 14,293	$ 93,677	$ 56,980
Add: accretion	144	143	591	592
Add: general and administrative costs	2,894	2,222	11,178	7,658
Add: sustaining capital expenditures[7]	14,443	18,733	45,899	48,178
Less: business development and non-sustaining costs	(209)	(71)	(894)	(274)
All-in sustaining costs	$ 40,879	$ 35,320	$ 150,451	$ 113,134
Gold ounces, sold	48,851	33,273	141,159	97,355
Cash cost per gold ounce, sold	$ 483	$ 430	$ 664	$ 585
All-in sustaining cost per gold ounce, sold	$ 837	$ 1,062	$ 1,066	$ 1,162

EBITDA (Earnings before Interest, Taxes, Depreciation and Amortization)

EBITDA is profit attributable to shareholders before net finance expense, provision for income taxes, and depreciation and amortization. EBITDA is used as a supplemental financial measure by management and by external users of our MD&A, such as investors, industry analysts, lenders and ratings agencies, to assess the Company's operating performance as compared with the operating performance of other companies in our industry, without regard to financing methods, historical cost basis or capital structure. The IFRS Accounting Standards measure most directly comparable to EBITDA is Net Income. EBITDA should not be considered an alternative to net income or loss, or any other measure of financial performance or liquidity presented in accordance with IFRS Accounting Standards.

(In thousands of United States Dollars)	Three months ended December 31, 2024	Three months ended December 31, 2023	Year ended December 31, 2024	Year ended December 31, 2023
Income for the period	$ 55,524	$ 19,980	$ 111,224	$ 33,163
Add: Income taxes	23,424	8,489	53,550	18,124
Add: Depreciation and depletion	6,158	11,883	33,263	31,855
Add: Interest and finance expense	261	994	953	3,903
Less: Interest income	(1,171)	(630)	(2,496)	(2,921)
EBITDA	$ 84,196	$ 40,716	$ 196,494	$ 84,124

[7] Sustaining capital expenditures for the year ended December 31, 2024 is the purchase of property, plant and equipment ("PPE") from the statement of cash flows of $158.5 million (2023 - $101.0 million), plus other sustaining expenditures of $3.8 million (2023 - $4.2 million), less net PPE amounts included in accounts payable related to expansion costs of $0.8 million (2023 – plus $4.6 million), plus net deposits for equipment $2.1 million (2023 – $3.6 million), less expansion costs of $117.6 million (2023 - $65.2 million).

Liquidity

As at December 31, 2024, the Company had a cash and cash equivalents and short-term treasuries of $141.3 million (December 31, 2023 - $79.1 million) and working capital of $117.0 million (December 31, 2023 - $99.6 million)[8], that consisted of current assets of $209.3 million (December 31, 2023 - $147.5 million) less current liabilities of $92.3 million (December 31, 2023 - $47.9 million).

Operating Activities: During the year-ended December 31, 2024, the Company generated $185.1 million from operating activities (2023 - $74.4 million).

Investing Activities: During the year-ended December 31, 2024, the Company paid $158.5 (2023 - $101.0 million) for property, plant, and equipment and $1.3 million for deposits (2023 – $1.3 million), $20.0 million for restricted cash (2023 – $6.4 million) and received $6.6 million on the redemption of short-term treasuries (2023 – Nil).

Financing Activities: During the year-ended December 31, 2024, the Company received $6.2 million (2023 – 1.8 million) from the exercise of stock options and $60.0 million in proceeds from the Loan (2023 – Nil). The Company paid $4.5 million (2023 - $5.3 million) in lease principal payments and $1.1 million in loan transaction costs (2023 – Nil).

The Company's financial position at December 31, 2024, and the operating cash flows that are expected over the next twelve months, are expected to be sufficient to fund operational costs, capital requirements, debt repayments and other commitments.

Capital Resources

The Company manages its capital structure and makes adjustments to it in response to changes in economic conditions and the risk characteristics of the Company's assets and business opportunities. The Company does not presently utilize any quantitative measures to monitor its capital and is not subject to externally imposed capital requirements.

Related Party Transactions

Key management consists of the Chief Executive Officer ("**CEO**"), Chief Financial Officer ("**CFO**"), President and Chief Operating Officer, and the Board of Directors. During the below period, compensation paid or accrued to key management or companies they controlled is presented in the table below:

(In thousands of United States Dollars)	December 31, 2024	December 31, 2023
Share-based compensation	$ 3,641	$ 4,430
Management, consulting and wages	3,762	3,539
Professional fees	88	313

Included in accounts payable and accrued liabilities is $0.8 million (December 31, 2023 - $0.9 million) due to key management of the Company, of which $0.4 million (December 31, 2023 - $0.3 million) is due to Mining, Processing and Project Consulting Pty Ltd. which is owned by the CEO and Director for management services and $0.1 million (December 31, 2023 - $0.2 million) is due to the law firm Gowling WLG (Canada) LLP, where one director of the Company is a partner, for professional fees in the normal course of business. Amounts owing are non-interest bearing and due on demand.

[8] Non-IFRS performance measure. Working capital is calculated as current assets less current liabilities.

Outstanding Share Data

As at the date of this report the Company had 240,048,016 common shares issued and outstanding.

The incentive stock options listed below were outstanding at the date of this report:

Range of exercise prices (in $CAD)	Number of outstanding options	Number of options exercisable	Weighted-average exercise price (in $CAD)	Weighted-average years to expiry
5.00 – 9.99	2,936,900	2,936,900	7.20	0.71
	2,936,900	2,936,900	7.20	0.71

Off-Balance Sheet Arrangements

At December 31, 2024, the Company had no material off-balance sheet arrangements such as guarantee contracts, contingent interest in assets transferred to an entity, derivative instruments obligations or any obligations that trigger financing, liquidity, market or credit risk to the Company.

Proposed Transactions

Except as elsewhere disclosed in this document, there are no other proposed transactions under consideration.

Material Accounting Judgements, Estimates and Assumptions

The preparation of consolidated financial statements requires management to make estimates about, and apply assumptions or judgment to, future events and other matters that affect the reported amounts of the Company's assets, liabilities, revenues, expenses and related disclosures. Assumptions, estimates and judgments are based on historical experience, expectations, current trends and other factors that management believes to be relevant at the time at which the Company's consolidated financial statements are prepared.

The Company's material accounting judgements, estimates and assumptions are disclosed in Note 2 of the audited Consolidated Financial Statements for the year ended December 31, 2024.

Material Accounting Policies

The Company's material accounting policies are presented in Note 3 of the audited Consolidated Financial Statements for the year ended December 31, 2024.

Financial Instruments and Risk Management

Financial assets and liabilities are classified in the fair value hierarchy according to the lowest level of input that is significant to the fair value measurement. Assessment of the significance of a particular input to the fair value measurement requires judgment and may affect placement within the fair value hierarchy levels. The hierarchy is as follows:

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

The levels in the fair value hierarchy into which the Company's financial assets and liabilities that are measured and recognized at fair value were categorized as follows:

As at	December 31, 2024		December 31, 2023	
	Level 1	Level 2	Level 1	Level 2
Trade receivables	$ -	$ 20,208	$ -	$ 15,030
Derivative assets		801		-
Derivative liabilities	-	(1,374)	-	(1,206)
	$ -	$ 19,635	$ -	$ 13,824

The fair value of the Company's trade receivables and derivative liabilities were determined using observable market prices and market-derived inputs. There were no transfers between Level 1 and Level 2 during the period ended December 31, 2024.

As at December 31, 2024 and December 31, 2023, the carrying amounts of cash and cash equivalents, restricted cash, short-term treasuries, other receivables, and accounts payable and accrued liabilities approximate their fair values due to the short-term nature of these instruments.

Fair value estimates of financial instruments are made at a specific point in time, based on relevant information about financial markets and specific financial instruments. As these estimates are subjective in nature, involving uncertainties and matters of significant judgment, they cannot be determined with precision. Changes in assumptions can significantly affect estimated fair values.

Concentration of credit risk

The Company's cash and cash equivalents are held with financial institutions in Canada, Papua New Guinea, and Australia. As of December 31, 2024, a single Canadian chartered bank holds approximately 43% (2023 – 42%) of the total cash and cash equivalents. Substantially all of the Company's cash and cash equivalents exceed government-insured limits. The Company continually assesses and manages its exposure to credit risk of financial institutions.

Concentration of sales

The Company sells exclusively to well-established, creditworthy counterparties with a strong payment history. For the year ended December 31, 2024, the Company sold 100% of its concentrate to a single offtaker and 100% of its doré to a single refiner.

Internal Control Over Financial Reporting and Disclosure Controls and Procedures

Disclosure Controls and Procedures

The Company's disclosure controls and procedures are designed to provide reasonable assurance that all relevant information is gathered and reported on a timely basis to senior management, including the CEO and the CFO, to enable this information to be reviewed and discussed so that appropriate decisions can be made regarding the timely public disclosure of the information.

The Company's management, including the CEO and CFO, have evaluated the effectiveness of the Company's disclosure controls and procedures as at December 31, 2024, and have concluded the Company's disclosure controls and procedures are effective and provide reasonable assurance material information is communicated to them by others within the Company on a timely basis.

Internal Controls over Financial Reporting

The Company's management, including the CEO and CFO, are responsible for establishing adequate internal controls over financial reporting. The Company's internal controls over financial reporting is designed to provide reasonable assurance regarding the reliability of the Company's financial reporting for external purposes in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board. As at December 31, 2024, the Company's CEO and CFO have assessed the Company's internal controls over financial reporting and concluded they are effective and provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS Accounting Standards.

There were no changes to the Company's internal controls during the year ended December 31, 2024 that have materially affected, or are likely to materially affect, the Company's internal controls over financial reporting or disclosure controls and procedures.

The Company's internal control over financial reporting may not prevent or detect all misstatements because of inherent limitations. Additionally, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions or deterioration in the degree of compliance with the Company's policies and procedures.

Technical Report

The Definitive Feasibility Study for the Kainantu Gold Mine Project in PNG is included in the technical report titled, "Independent Technical Report, Kainantu Gold Mine, Updated Integrated Development Plan, Kainantu Project, Papua New Guinea" dated November 28, 2024, with an effective date of January 1, 2024.

Cautionary Statement Regarding Certain Measures of Performance

This MD&A presents certain measures, including "cash costs", "all-in-sustaining costs" "gold equivalent" and "EBITDA" that are not recognized measures under IFRS Accounting Standards. This data may not be comparable to data presented by other gold producers. For a reconciliation of these measures to the most directly comparable financial information presented in the consolidated financial statements prepared in accordance with IFRS Accounting Standards, see Non-IFRS Financial Performance Measures in this MD&A. The Company believes that these generally accepted industry measures are realistic indicators of operating performance and are useful in performing year-over-year comparisons. However, these non-IFRS measures should be considered together with other data prepared in accordance with IFRS Accounting Standards, and these measures taken by themselves, are not necessarily indicative of operating costs or cash flow measures prepared in accordance with IFRS Accounting Standards.

Note Regarding Forward-Looking Statements

Except for historical information, this MD&A may contain forward-looking statements within the meaning of applicable Canadian securities legislation. These statements involve known and unknown risks, uncertainties, and other factors that may cause the Company's actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activity, performance or achievement expressed or implied by these forward-looking statements.

The factors that could cause actual results to differ materially include, but are not limited to, the following:

General economic conditions; changes in financial markets; the impact of exchange rates; political conditions and developments in countries in which the Company operates; changes in the supply, demand and pricing of the metal commodities which the Company hopes to find and successfully mine; changes in regulatory requirements impacting the Company's operations; the sufficiency of current working capital and the estimated cost and availability of funding for the continued production, exploration and development of the Company's properties.

This MD&A contains certain forward-looking statements inclusive of, but not limited to, timing of the mine development, twin incline construction, metals production, cash costs, all-in sustaining costs, exploration costs and growth capital costs. Although forward-looking statements and information contained in this MD&A are based on the beliefs of K92 management, which we consider to be reasonable, as well as assumptions made by and information currently available to K92 management, there is no assurance that the forward-looking statement or information will prove to be accurate. The assumptions made include assumptions about K92's ability to move forward with the development and mine expansion arrangements. The forward-looking statements and information contained in this MD&A are subject to current risks, uncertainties and assumptions related to certain factors including, without limitations, obtaining all necessary approvals, feasibility of the Company's mine and plant development in PNG, the accuracy of mineral reserve and mineral resources estimates, exploration and development risks, expenditure and financing requirements, title matters, the Company's dependency on the Kainantu Gold Mine for operating revenue and cash flows in the near term, operating hazards, metal prices, political and economic factors, competitive factors, general economic conditions, relationships with vendors and strategic partners, governmental regulation and supervision, the Company's ability to adequately account for potential mine closure and remediation costs, seasonality, technological change, industry practices, and one-time events as well as risks, uncertainties and other factors identified and described in more detail under the heading "Risk Factors" in the Company's most recent Annual Information Form, that may be viewed at www.sedarplus.ca. Should any one or more of these risks or uncertainties materialize or change, or should any underlying assumptions prove incorrect, actual results and forward-looking statements and information may vary materially from those described herein.

The list is not exhaustive and although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended that should be considered carefully, and reasons should not place undue reliance on the Company's forward-looking statements. As a result of the foregoing and other factors, no assurance can be given as to any such future results, levels of activity or achievements and neither the Company nor any person assumes responsibility for the accuracy and completeness of these forward-looking statements. We undertake no obligation to update forward-looking statements or information except as required by law.

Cautionary Note to Investors Concerning Estimates of Measured and Indicated Resources.

This discussion uses the terms "measured resources" and "indicated resources". The Company advises investors that while those terms are recognized and required by Canadian regulations, the U.S. Securities and Exchange Commission does not recognize them. Investors are cautioned not to assume that any part or all of mineral deposits in these categories will ever be converted into reserves.