MINING INC.

("K92" or "the Company")

FORM 51-102F1

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE THREE MONTHS ENDED MARCH 31, 2025

## 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 three months ended March 31, 2025. The MD&A takes into account information available up to and including May 11, 2025 and should be read together with the unaudited condensed consolidated interim financial statements for the three months ended March 31, 2025, which have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards) applicable to the preparation of interim financial statements, including IAS 34, Interim Financial Reporting, 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 for the year-ended December 31, 2024.

## 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 ounce and per share amounts)* | | Three months ended March 31, 2025 | Three months ended March 31, 2024 |
|---|---|---|---|
| **Operating data** | | | |
| Ore mined | t | 104,052 | 111,054 |
| Ore processed | t | 103,449 | 130,632 |
| Feed grade | g/t | 14.3 | 6.4 |
| Gold produced | Oz | 45,735 | 24,389 |
| Gold equivalent produced[1] | Oz | 47,817 | 27,462 |
| Gold sold | Oz | 45,886 | 27,996 |
| Cash costs per gold ounce sold[2] | $/Oz | 559 | 934 |
| All-in sustaining costs per gold ounce sold[2] | $/Oz | 1,010 | 1,366 |
| **Financial data** | | | |
| Revenue | $ | 144,601 | 59,798 |
| Cost of sales | $ | 34,137 | 40,889 |
| Net earnings | $ | 70,240 | 3,067 |
| Cash flow from operating activities | $ | 63,012 | 25,095 |
| Cash, ending balance | $ | 181,229 | 66,818 |
| Basic earnings per share | $/sh | 0.29 | 0.01 |
| Diluted earnings per share | $/sh | 0.29 | 0.01 |

## Performance Summary

### *Operational – Three Months Ended March 31, 2025 ("Q1 2025")*

- **Gold Production:** 45,735 ounces of gold or 47,817 ounces of gold equivalent ("**AuEq**") produced in Q1 2025, compared to 24,389 ounces of gold or 27,462 ounces of AuEq produced in Q1 2024, an 88% increase in gold production and 74% increase in AuEq production from Q1 2024 and significantly exceeding budget. The increase in gold production is primarily due to higher head grades, an improvement in recovery and a positive gold grade reconciliation when compared to the independent mineral resource model.[1]

- **Material Movements:** 104,052 tonnes of ore were mined in Q1 2025, representing a 6% decrease from the 111,054 tonnes mined in Q1 2024. Total material movement, including both ore and waste, reached 315,182 tonnes - marking the second-highest quarterly total on record.

- **Ore Processed:** 103,449 tonnes of ore were processed in Q1 2025 versus 130,632 tonnes in Q1 2024. Throughput was intentionally reduced to optimize recoveries at higher feed grades.

- **Metallurgical Recoveries:** 95.8% gold and 95.1% copper recoveries achieved in Q1 2025, compared to 90.7% gold and 91.9% copper recoveries in Q1 2024, representing the second highest quarterly recoveries on record and exceeding budget.

- **Mine Development:** 2,494 metres of lateral development were completed in Q1 2025. Development rates were temporarily impacted in the first half of the quarter due to planned power disruptions associated with the installation of the interim ventilation and Stage 2 Interim Water upgrades. However, performance rebounded strongly in the second half, with a new monthly development advance record of 954 metres set in March—6% higher than the previous record in Q4 2024 and approaching the Stage 3 Expansion run-rate target of 1,000 metres per month. Mine development in March benefitted from the commissioning of the interim ventilation upgrade in early January, which has significantly outperformed design expectations (+50% increase in mine airflow vs. +30% planned), as well as the water upgrade commissioned in late January.

[1] Gold equivalent calculated based on gold $2,855 per ounce (2024 - $2,070), silver $31.73 per ounce (2024 - $23.34) and copper $4.26 per pound (2024 - $3.83).

- **Head Grade:** 14.3 g/t gold, 0.50% copper, and 11.1 g/t silver (14.9 g/t AuEq) in Q1 2025. Gold grades exceeded budget, driven by higher-grade stopes at Judd and Kora, along with a positive reconciliation against the independent mineral resource model.

- **Cash Costs:** $559 per gold ounce in Q1 2025, compared to $934 per gold ounce in Q1 2024. The reduction was primarily driven by a higher volume of gold ounces sold (45,886 ounces in Q1 2025 versus 27,996 ounces in Q1 2024), increased capitalization of development expenditures due to a higher proportion of capital tonnes mined relative to operating tonnes ($11.8 million in Q1 2025 versus $5.1 million in Q1 2024), and lower variable costs associated with reduced throughput (103,449 ore tonnes processed in Q1 2025 versus 130,632 tonnes in Q1 2024). These were partially offset by lower by-product credits ($3.8 million in Q1 2025 versus $6.1 million in Q1 2024).[2]

- **All-in Sustaining Costs:** $1,010 per gold ounce in Q1 2025 versus $1,366 per gold ounce in Q1 2024. The decrease was primarily driven by a higher volume of gold ounces sold and lower cost of sales, as discussed above, partially offset by higher sustaining capital expenditures ($17.1 million in Q1 2025 compared to $9.0 million in Q1 2024).[2]

***Financial – Q1 2025***

- **Revenue:** The Company generated $127.2 million in revenue in Q1 2025, an increase of $66.5 million compared to Q1 2024 ($60.7 million), before pricing and quantity adjustments. Net revenue, which includes fair value adjustments to settlement receivables, was $144.6 million in Q1 2025 compared to $59.8 million in Q1 2024. Sales of gold in concentrate and doré increased by 64% to 45,886 ounces in Q1 2025 from 27,996 ounces in Q1 2024, resulting in a $42.5 million increase in revenue. In addition, a 36% increase in the average payable gold price (from $2,016 per ounce in Q1 2024 to $2,739 per ounce in Q1 2025) contributed a further $26.7 million to revenue.[3]

- **Cash and Cash Equivalents:** $181.2 million as of March 31, 2025, compared to $140.1 million as of December 31, 2024. During the period, the Company spent $30.9 million on expansion capital and $4.0 million on exploration activities.

- **Operating Cash Flow:** $80.9 million in operating cash flow (prior to working capital adjustments) in Q1 2025 compared to $20.0 million in Q1 2024.[4]

- **Gross Margins:** 73% and 76% (before and after pricing adjustments), respectively, in Q1 2025, compared to 33% and 32%, respectively, in Q1 2024. The improvement was primarily driven by an increase in gold ounces sold and higher average payable gold prices.[5]

- **EBITDA:** $107.2 million in Q1 2025, compared to $17.1 million in Q1 2024.[2]

- **Income Tax Payments:** $11.7 million in Q1 2025 compared to $Nil in Q1 2024. Subsequent to March 31, 2025, the Company made an additional tax payment of $22.4 million to the Papua New Guinea government, for a year to date total of $34.1 million.

***Expansion – Q1 2025***

- **Stage 3 Expansion Progress:** Construction on the Stage 3 Expansion Plant is rapidly advancing, with all long-lead items for the process plant now on site. Construction is most advanced at the grinding circuit (SAG + Ball), which remains the critical path for the mill construction schedule. The Company remains on track to commence commissioning of the Stage 3 Expansion Plant in the second half of Q2 2025.

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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] 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.

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

- **Paste Plant:** Tailings management upgrades are incorporated in the Stage 3 and 4 Expansions through the construction of a paste plant to improve underground backfill support and mining flexibility, while reducing surface tailings deposition. All long-lead items for the paste plant have been ordered, and the construction contract award is well advanced. Commissioning remains targeted for late-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 and Arakompa.

- **Vertical Development**: The Company continues to make strong progress on its vertical development activities. Both raise bore rigs are operational, with reaming of the first 5-metre diameter raise completed to upgrade ventilation to the main mine. Development of the first waste/ore pass, which connects the main mine to the twin incline to improve material handling productivity, has also been completed and is expected to be fully operational by mid-2025. The smaller raise bore rig remains focused on short raises between levels, supporting ventilation, escapeways, and essential service infrastructure.

***Corporate – Q1 2025***

- **Loan Agreement with Trafigura:** During the three months ended March 31, 2025, the Company drew $20.0 million under the Canadian Credit Facility and fully repaid the remaining $20.0 million outstanding under the PNG Credit Facility. The PNG Credit Facility had been secured by $20.0 million in restricted cash, funded through an advance from the Canadian Credit Facility. Following the full repayment of the PNG Credit Facility, the Company no longer holds any restricted cash designated as security under that loan. As at March 31, 2025, the Company had $60.0 million drawn under the Canadian Credit Facility and $Nil drawn under the PNG Credit Facility.

- **Derivative Instruments:** To reduce exposure to gold price fluctuations during the provisional pricing period, the Company purchased gold put option contracts covering 12,500 ounces per month over nine months starting October 2024, with a strike price of $2,400 per ounce. As at March 31, 2025, 37,500 ounces were hedged. These contracts resulted in a $0.8 million loss during the three months ended March 31, 2025.

## Last 4 Quarters of Production Data

| | | | 2024 | | 2025 | |
|---|---|---|---|---|---|---|
| | | Quarter 2 | Quarter 3 | Quarter 4 | Quarter 1 | Total |
| Tonnes processed | t | 95,582 | 104,992 | 96,614 | 103,449 | 400,637 |
| Feed grade Au | g/t | 7.5 | 13.0 | 17.3 | 14.3 | 13.1 |
| Feed grade Cu | % | 0.62 | 0.58 | 0.47 | 0.50 | 0.54 |
| Recovery (%) Au | % | 93.7 | 95.3 | 96.4 | 95.8 | 95.3 |
| Recovery (%) Cu | % | 95.3 | 95.1 | 94.7 | 95.1 | 95.1 |
| Metal in concentrate produced Au | oz | 21,661 | 41,702 | 51,371 | 45,735 | 160,469 |
| Metal in concentrate produced Cu | t | 565 | 580 | 435 | 518 | 2,098 |
| Metal in concentrate produced Ag | oz | 26,754 | 37,613 | 41,992 | 34,085 | 140,444 |
| Gold equivalent ounces produced | oz | 24,347 | 44,304 | 53,401 | 47,817 | 169,869 |

## 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.

## Operations

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

During Q1 2025, the Company produced 47,817 ounces AuEq, or 45,735 ounces of gold, 1,141,379 pounds of copper and 34,085 ounces of silver.

The process plant processed 103,449 tonnes during the quarter, with a head grade averaging 14.9 g/t AuEq or 14.3 g/t gold, 0.50% copper, and 11.1 g/t silver. Gold grades were above budget, driven by higher grade stopes from Judd and Kora, along with a positive gold grade reconciliation when compared with the independent mineral resource model. Throughput was deliberately reduced to optimize recoveries at the elevated feed grade.

Strong metallurgical performance continued, with gold and copper recoveries averaging 95.8% and 95.1%, respectively. These represent the second-highest quarterly recoveries on record and exceeded the Definitive Feasibility Study ("**DFS**") parameters of 92.6% for gold and 94.2% for copper. The strong performance was supported by elevated gold grades and an optimized flotation reagent mix.

The mine delivered 104,052 tonnes of ore mined during Q1 2025, across 12 levels, including the 1090, 1110, 1305, 1345, and 1365 levels at Kora, and the 840, 970, 1170, 1185, 1285, 1325, 1365, and 1385 levels at Judd. Total material movement, including ore and waste, reached 315,182 tonnes, the second-highest quarterly total on record. Long hole open stoping met design parameters, supporting strong operational performance.

In March, a new monthly development record of 954 metres was achieved, surpassing the prior record set in Q4 2024 by 6% and nearing the Stage 3 Expansion target of 1,000 metres per month. Total mine development for Q1 2025 was 2,494 metres. The notable achievement was supported by the commissioning of two key infrastructure upgrades: the interim ventilation system in early January, which increased mine airflow by 50% (versus +30% planned), and the Stage 2 Interim Water Supply Upgrade in late January. While planned power disruptions during installation impacted early-quarter development rates, strong performance was achieved in the latter half.

Development rates are well positioned to continue to increase as the year progresses, driven by: i) the completion of multiple infrastructure upgrades over the first half of 2025, ii) a major increase in available headings from the opening of two new mining fronts, iii) the progressive introduction of additional equipment already on site as available headings increase, and, iv) the implementation of an enhanced maintenance program.

## 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 the 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 rapidly advancing, 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 paste 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 for production purposes. It will continue southward at a reduced advance rate, strictly for the purposes of exploration diamond drilling. During Q1 2025, development was primarily focused on extending the Level 990 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*

Development of the ore and waste pass system is underway to improve material transport efficiency. Raise boring for the first material pass was completed in early Q1 2025, with the system expected to be fully operational by early Q3 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 to break through in early Q3 2025. Following the better-than-expected results of the interim ventilation upgrade, which delivered a 50% increase in airflow compared to the anticipated 30%, commissioning of the primary ventilation fans has been rescheduled to Q1 2026.

## Exploration

***Underground grade control and exploration***

*Kora and Judd Vein System*

The Company continued its underground diamond drilling programs using six Company-owned drill rigs at the Kora and Judd deposits, focused on resource expansion, infill drilling, and upgrading Inferred Resources to the Measured and Indicated categories. Since the effective date of the most recent Mineral Resource Estimate ("**MRE**") for the Kora and Judd Vein Systems, September 12, 2023, an additional 283 drill holes have been completed. Drilling continues to intersect the Kora and Judd lode systems.

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, with Judd located to the east of Kora. The Kora and Judd style of mineralization is similar, characterized mainly by gold-copper-silver sulphide veins, similar to an intrusion related gold copper ("**IRGC**") deposit type. The Company continued its underground drilling program during the quarter, targeting the extension of the Kora and Judd Vein Systems, with a focus on untested areas to the south along strike and at depth down dip. Surface drilling at Kora South was temporarily halted to prioritize drilling at the Arakompa deposit.

Ore extraction from both the Kora and Judd vein systems continues through development and long-hole stoping.

***Surface Exploration***

Exploration drilling was carried out at Kora South/Judd South (EL470) and Arakompa (EL693). During Q1 2025, a total of 13 holes were completed, with an additional three in progress, for a combined total of 5,589.6 metres drilled.

Surface geochemical sampling and detailed geological mapping continued at the Wera (EL2620), Arakompa/Maniape (EL693), and Mati-Mesoan (EL693/EL470) prospects, with a total of 2,326 geochemical samples collected. Trench sampling during Q1 2025 focused on the Mati-Mesoan and Wera prospects, resulting in the completion of 24 trenches, with one additional trench in progress. A total of 933 trench samples were collected.

*Arakompa (EL693)*

Drilling at Arakompa continued with three rigs targeting the strike and depth extensions of the lodes. Drilling to date has defined significant continuity of mineralization both along strike and at depth. During Q1 2025, 12 holes were completed, and an additional three are currently in progress, for a total of 5,322.9 metres drilled.

Please see the Company's news release, dated February 20, 2025, '*K92 Mining Announces Latest Drilling Results From Arakompa Including Confirmation of Two Significant Thick High-Grade Veins (AR1 & AR2), Southern Strike Extension and Bulk Zone Expansion* for the latest drill results from the Arakompa drilling program.

*Kora South/Judd South (EL470)*

Surface drilling at Kora South is targeted on the highly prospective southern extensions of the Kora Vein System. Drilling was paused to allow for focusing of the drilling effort at Arakompa during Q1 2025, with drilling planned to resume at Kora South in the future.

***Qualified Persons***

K92 Chief Geologist, 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.

K92 Vice President of Exploration Robert Smillie, FAusIMM, a qualified person under the meaning of NI 43-101, has reviewed and is responsible for the technical content in the surface exploration sections of this MD&A. Data verification by Mr. Smillie includes significant time on site reviewing drill core, soil and outcrop sampling, artisanal workings, as well as discussing work programs and results with geology personnel and external consultants.

## Health and Safety

The Company completed the first quarter of 2025 with zero lost-time injuries, marking 643 consecutive days without a lost-time incident at its operations. As of March 31, 2025, the Company's lost-time injury frequency rate ("**LTIFR**") was zero and its total recordable injury frequency rate ("**TRIFR**") was 0.87. Both rates are calculated per 1,000,000 hours worked and include both employees and contractors.

The Company continues 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. The Company expects to initiate its next annual, external health and safety audit in H2 2025.

## Community Relations

*Memorandum of Agreement ("MOA")*

The Company continues to work towards the 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. Engagement with government and regulatory stakeholders continued during the three months ended March 31, 2025, to help facilitate the resolution of outstanding items related to the MOA.

*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 March 31, 2025, physical completion of the road stood at 27%.

The Company continues to advance its flagship Sustainable Livelihoods Agriculture Program ("**SLAP**"), which was recognized with the 2024 Outstanding Community Humanitarian Initiative award by the PNG Chamber of Resources and Energy ("**CORE**"). It was the third consecutive year the Company was recognized with a community-related award by CORE. 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. In early 2025, local farmers completed a shipment of nearly eight tonnes of produce to supermarkets in Port Moresby, demonstrating the growth and overall success of the program to date.

The Company operates 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 2025, the Company expects to enroll over 500 local community members in the program.

*Education Initiatives*

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

The Company manages a variety of scholarship programs for local community members, including the K92 Mining Tertiary Scholarship Program, which provides scholarships to local students studying mineral processing, mine engineering, geology, and agriculture. The Company continues to advance work related to the establishment of the Kainantu Endowment, which was founded by K92 Mining Ltd. in 2023 to provide scholarships for the advancement of Papua New Guinean students enrolled in post- and undergraduate studies at a university in PNG. The Kainantu Endowment was established pursuant to a deed with an independent trustee and advisory board, and received its income tax exemption status, including a donation deductibility, as a charitable body in PNG in 2024.

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 three months ended March 31, 2025, these contracts generated $7.0 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 at www.k92mining.com/responsible-mining.

## 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)* | March 31, 2025 | December 31, 2024 | September 30, 2024 | June 30, 2024 |
|---|---|---|---|---|
| Total assets | $ 721,038 | $ 628,269 | $ 553,539 | $ 469,233 |
| Working capital | 187,666 | 116,968 | 122,828 | 91,729 |
| Shareholders' equity | 550,961 | 474,740 | 414,211 | 365,492 |
| Revenue | 144,601 | 120,285 | 122,749 | 47,791 |
| Net earnings | 70,240 | 55,524 | 46,496 | 6,137 |
| Net earnings per share, basic | 0.29 | 0.23 | 0.20 | 0.03 |
| Net earnings per share, diluted | 0.29 | 0.23 | 0.19 | 0.03 |
| | March 31, 2024 | December 31, 2023 | September 30, 2023 | June 30, 2023 |
| Total assets | $ 421,654 | $ 412,832 | $ 388,271 | $ 388,107 |
| Working capital | 89,286 | 99,623 | 97,335 | 112,510 |
| Shareholders' equity | 355,649 | 350,892 | 328,533 | 327,033 |
| Revenue | 59,798 | 75,316 | 32,814 | 51,759 |
| Net earnings (loss) | 3,067 | 19,980 | (619) | 8,793 |
| Net earnings (loss) per share, basic | 0.01 | 0.09 | (0.00) | 0.04 |
| Net earnings (loss) per share, diluted | 0.01 | 0.08 | (0.00) | 0.04 |

Total assets have steadily increased over the past eight quarters, primarily due to the construction and commissioning of the Stage 2 Expansion, as well as ongoing development activities related to the Stage 3 Expansion. Revenue growth over this period was driven by higher gold and copper production volumes from the Stage 2 Expansion and rising commodity prices.

**Results of Operations for the three months ended March 31, 2025 as compared to March 31, 2024**

During the three months ended March 31, 2025, the Company generated net earnings of $70.2 million (2024 – $3.1 million) and earnings before taxes of $101.5 million (2024 – $6.6 million). Significant items contributing to earnings, and changes compared to the prior year, are summarized below:

- **Revenue** of $144.6 million (2024 – $59.8 million) from the sale of gold concentrate and doré. The increase was primarily driven by higher realized gold prices and a greater number of gold ounces sold compared to the prior year.

- **Cost of sales** of $34.1 million (2024 - $40.9 million), including mining, processing, technical services, maintenance, site administration, operational health and safety, share-based payments, depreciation, and net smelter royalties. The decrease in cost of sales was primarily due to a higher proportion of capital tonnes mined relative to operating tonnes, resulting in increased capitalization of development expenditures ($11.8 million in Q1 2025 versus $5.1 million in Q1 2024) and lower variable costs, mainly consumables and haulage, resulting from reduced throughput (103,449 ore tonnes processed in Q1 2025 versus 130,632 tonnes in Q1 2024).

- **Earnings from mine operations** of $110.5 million (2024 - $18.9 million), which is calculated by subtracting cost of sales from revenue.

- **General and administrative** of $3.7 million (2024 – $3.3 million). The increase is primarily due to higher corporate hires and increased management fees and wages.

- **Exploration and evaluation expenditures** of $4.0 million (2024 – $4.5 million), related to drilling, assaying, trenching, surveying, and other exploration activities. The decrease in exploration costs is primarily due to fewer drill rigs operating during the period (three rigs at the end of Q1 2025 versus five rigs at the end of Q1 2024). Surface drilling capacity is expected to increase in Q2 2025 with the return to service of an existing rig following repair and maintenance. A new drill rig is expected to arrive late in Q2 2025, with drilling activities anticipated to commence in early Q3 2025 following commissioning. In addition, a new drill contractor has been engaged for regional exploration drilling beginning in Q2 2025 to help offset the current shortfall in drill capacity.

- **Share-based payments** of $1.7 million (2024 - $1.1 million). The increase is primarily due to the timing, valuation, and vesting of Restricted Share Units ("**RSU**") and Performance Share Units ("**PSU**") awards granted to directors, employees, and consultants during the period.
- **Interest income** of $1.2 million (2024 – $0.5 million). The increase is primarily due to higher average cash balances compared to the prior period.
- **Loss on derivative instruments** of $0.8 million (2024 – $1.4 million), from realized and unrealized losses on commodity contracts and put options. The loss is primarily driven by the increase in gold prices from $2,611 per ounce at December 31, 2024 to $3,115 per ounce at March 31, 2025.
- **Income tax expense** of $31.3 million (2024 – $3.5 million). The increase is due 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 standardized meanings prescribed by IFRS Accounting Standards. These measures may differ from similar measures used by other issuers and, therefore, may not be comparable. The Company believes these measures are commonly used by certain investors, alongside conventional IFRS measures, to enhance their understanding of the Company's performance. These non-IFRS measures have been derived from the Company's financial statements and applied on a consistent basis. The tables below provide a reconciliation of these non-IFRS measures to the most directly comparable IFRS measure.

*Cash Costs per Ounce*

Cash costs include mine site operating costs, treatment and refining charges, and changes in doré and concentrate inventories, less non-cash costs such as depreciation and by-product credits. Total cash cost per gold ounce sold is calculated by dividing these costs by the number of gold ounces sold.

*All-in Sustaining Cost per Ounce*

All-in sustaining costs include cash costs plus accretion of environmental provisions, general and administrative costs, and sustaining capital expenditures. Total all-in sustaining cost per gold ounce sold is calculated by dividing these costs by the number of gold ounces sold.

*Co-Product Costing Methodology*

In addition to the by-product cost methodology, the Company also presents cash costs and all-in sustaining costs on a co-product basis. Under the co-product method, total costs are allocated across all payable metals based on their gold equivalent production, without deducting by-product credits. Cash costs and all-in sustaining costs are then calculated on a per gold equivalent ounce sold basis.

*All-in Sustaining Costs (By-Product)*

| *(In thousands of United States Dollars, except as noted)* | Three months ended March 31, 2025 | Three months ended March 31, 2024 |
|---|---|---|
| **Cost of Sales** | $ 34,137 | $ 40,889 |
| Add: treatment and refining costs | 2,295 | 1,876 |
| Less: non-cash costs included into cost of sales | (444) | (533) |
| Less: depreciation | (6,532) | (9,987) |
| Less: by-product credits | (3,803) | (6,091) |
| **Cash cost of sales** | 25,653 | 26,154 |
| Add: accretion | 127 | 152 |
| Add: general and administrative costs | 3,707 | 3,267 |
| Add: sustaining capital expenditures[6] | 17,135 | 8,955 |
| Less: business development and non-sustaining costs | (274) | (296) |
| **All-in sustaining costs** | 46,348 | 38,232 |
| **Gold ounces, sold** | 45,886 | 27,996 |
| **Cash cost per gold ounce, sold** | $ 559 | $ 934 |
| **All-in sustaining cost per gold ounce, sold** | $ 1,010 | $ 1,366 |

*All-in Sustaining Costs (Co-Product) – Gold Equivalent Ounces – 100% Costs*

| *(In thousands of United States Dollars, except as noted)* | Three months ended March 31, 2025 | Three months ended March 31, 2024 |
|---|---|---|
| **Cost of Sales** | $ 34,137 | $ 40,889 |
| Add: treatment and refining costs | 2,295 | 1,876 |
| Less: non-cash costs included into cost of sales | (444) | (533) |
| Less: depreciation | (6,532) | (9,987) |
| **Cash cost of sales** | 29,456 | 32,245 |
| Add: accretion | 127 | 152 |
| Add: general and administrative costs | 3,707 | 3,267 |
| Add: sustaining capital expenditures | 17,135 | 8,955 |
| Less: business development and non-sustaining costs | (274) | (296) |
| **All-in sustaining costs** | 50,151 | 44,323 |
| **Gold equivalent ounces, sold** | 47,846 | 31,383 |
| **Cash cost per gold equivalent ounce, sold** | $ 616 | $ 1,027 |
| **All-in sustaining cost per gold equivalent ounce, sold** | $ 1,048 | $ 1,412 |

[6] Sustaining capital expenditures for the three months ended March 31, 2025 is the purchase of property, plant and equipment ("PPE") from the statement of cash flows of $43.1 million (2024 - $27.4 million), plus other sustaining expenditures of $0.5 million (2024 - $1.3 million), plus net PPE amounts included in accounts payable related to expansion costs of $1.7 million (2024 – 3.4 million), plus net deposits for equipment $2.7 million (2024 - $1.8 million), less expansion costs of $30.9 million (2024 - $18.1 million).

*EBITDA (Net 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 the Company's MD&A, such as investors, industry analysts, lenders, and ratings agencies, to assess the Company's operating performance compared to that of other companies in the industry, without regard to financing methods, historical cost basis, or capital structure. The IFRS Accounting Standards measure most directly comparable to EBITDA is earnings. EBITDA should not be considered an alternative to net earnings 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 March 31, 2025 | Three months ended March 31, 2024 |
|---|---|---|
| **Net earnings for the period** | $ 70,240 | $ 3,067 |
| Add: Income taxes | 31,305 | 3,486 |
| Add: Depreciation of property, plant and equipment | 6,532 | 10,031 |
| Add: Interest and finance expense | 271 | 1,088 |
| Less: Interest income | (1,196) | (530) |
| **EBITDA** | $ 107,152 | $ 17,142 |

## Liquidity

As at March 31, 2025, the Company had cash and cash equivalents and term deposits of $182.1 million (2024 – $141.3 million) and working capital of $187.7 million (2024 – $117.0 million). Working capital consisted of current assets of $282.6 million (2024 – $209.3 million) less current liabilities of $94.9 million (2024 – $92.3 million).[7]

Operating Activities: During Q1 2025, the Company generated $63.0 million (2024 – $25.1 million) from operating activities.

Investing Activities: During Q1 2025, the Company paid $43.1 million (2024 - $27.4 million) for property, plant, and equipment, $2.8 million (2024 – $1.2 million) for deposits, and received $20.9 million (2024 – $Nil) on the redemption of term deposits.

Financing Activities: During Q1 2025, the Company received $4.0 million (2024 – $0.3 million) from the exercise of stock options and $20.0 million (2024 – $Nil) in proceeds from the Loan. The Company paid $0.5 million (2024 – $1.5 million) in lease principal payments, $0.2 million (2024 – $Nil) in loan transaction costs, and $20.0 million (2024 – $Nil) in loan principal payments.

The Company's financial position at March 31, 2025, together with operating cash flows expected over the next twelve months, is 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 in response to changes in economic conditions and the risk characteristics of its assets and business opportunities. The Company does not currently utilize any quantitative measures to monitor its capital and is not subject to any externally imposed capital requirements.

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

## 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 periods presented below, compensation paid or accrued to key management personnel, or to companies they control, is summarized in the following table:

| *(In thousands of United States Dollars)* | Three months ended March 31, 2025 | Three months ended March 31, 2024 |
|---|---|---|
| Share-based compensation | $ 3,878 | $ 1,002 |
| Management, consulting and wages | 674 | 1,053 |
| Professional fees | 106 | 45 |

Included in accounts payable and accrued liabilities is $1.6 million (2024 – $0.8 million) due to key management personnel, of which $0.8 million (2024 – $0.4 million) is payable to Mining, Processing and Project Consulting Pty Ltd., a company owned by the CEO and Director, for management services, and $0.1 million (2024 – $0.1 million) is payable to Gowling WLG (Canada) LLP, a law firm where one director of the Company is a partner, for professional fees incurred in the normal course of business. These amounts are non-interest bearing and payable on demand.

## Outstanding Share Data

As at the date of this report the Company had 240,833,516 common shares issued and outstanding.

The 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 | 2,151,400 | 2,151,400 | 7.30 | 0.56 |
| | 2,151,400 | 2,151,400 | 7.30 | 0.56 |

The Company had 1,802,616 RSUs and 1,846,179 PSUs outstanding as at the date of this report. No RSUs or PSUs had been converted into common shares subsequent to March 31, 2025.

## Subsequent Events

Subsequent to March 31, 2025, the Company:

a) Purchased 120,000 gold put option contracts providing the Company with the option to financially settle 15,000 ounces of gold per month over an eight-month period, beginning May, 2025, at a strike price of $3,000 per ounce. The settlement value will be based on the average gold price each month. The Company paid $4.0 million for the put options or $33.25 per ounce.

b) Remitted $22.4 million in installment taxes to the Papua New Guinea government.

## Off-Balance Sheet Arrangements

As at March 31, 2025, the Company had no material off-balance sheet arrangements, such as guarantee contracts, contingent interests in assets transferred to other entities, derivative instrument obligations, or any obligations that would trigger financing, liquidity, market, or credit risk to the Company.

## Proposed Transactions

Except as otherwise disclosed in this document, there are no proposed transactions currently under consideration by the Company.

## 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 | March 31, 2025 | | December 31, 2024 | |
|---|---|---|---|---|
| | Level 1 | Level 2 | Level 1 | Level 2 |
| Trade receivables | $ - | $ 48,108 | $ - | $ 20,208 |
| Derivative assets | - | 1 | - | 801 |
| Derivative liabilities | - | - | - | (1,374) |
| | $ - | $ 48,109 | $ - | $ 19,635 |

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 March 31, 2025.

As at March 31, 2025 and December 31, 2024, the carrying amounts of cash and cash equivalents, restricted cash, term deposits, 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 March 31, 2025, a single Canadian chartered bank holds approximately 59% (2024 – 43%) 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 period ended March 31, 2025, 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.

There were no changes to the Company's disclosure controls and procedures during the three months ended March 31, 2025, that have materially affected, or are likely to materially affect, the Company's disclosure controls and procedures and therefore these controls and procedures remain effective.

*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.

There were no changes to the Company's internal controls during the three months ended March 31, 2025 that have materially affected, or are likely to materially affect, the Company's internal controls over financial reporting or disclosure controls and procedures.

There were no changes to the Company's internal controls over financial reporting during the three months ended March 31, 2025, that have materially affected, or are likely to materially affect, the Company's internal controls over financial reporting and therefore these controls remain effective.

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 DFS for the Kainantu Gold Mine Project in PNG is included in the technical report titled, "Independent Technical Report, Kainantu Gold Mine, Updated Definitive Feasibility Study, Kainantu Project, Papua New Guinea" dated March 21, 2025, 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**.

The SEC has amended the disclosure requirements and policies for mining properties ("SEC Modernization Rules") to more closely align with current industry and global regulatory practices and standards, including NI 43-101. As a result of the adoption of the SEC Modernization Rules, the SEC now recognizes estimates of "measured mineral resources," "indicated mineral resources" and "inferred mineral resources". Readers are cautioned that there are differences between the SEC Modernization Rules and the Canadian Institute of Mining, Metallurgy and Petroleum Standards. Accordingly, there is no assurance any mineral reserves or mineral resources that the Company may report as "measured mineral resources", "indicated mineral resources" or "inferred mineral resources" under NI 43-101 would be the same had the Company prepared the reserve and resource estimates under the standards adopted under the SEC Modernization Rules.

Investors are also cautioned that they should not assume that any part or all of the mineralization in the "indicated mineral resources" and "inferred mineral resources" will ever be converted into a higher category of mineral resources or into mineral reserves. Investors are also cautioned not to assume that all or any part of the "inferred mineral resources" exist.