K92 MINING INC.

("K92" or "the Company")

FORM 51-102F1

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 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 and six months ended June 30, 2025. The MD&A takes into account information available up to and including August 10, 2025 and should be read together with the unaudited condensed consolidated interim financial statements for the three and six months ended June 30, 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

For the *(in thousands of United States Dollars, except per ounce and per share amounts)*		Three months ended June 30, 2025	Three months ended June 30, 2024	Six months ended June 30, 2025	Six months ended June 30, 2024
Operating data					
Ore mined	t	133,063	99,209	237,116	210,263
Ore processed	t	130,337	95,582	233,786	226,214
Feed grade	g/t	8.3	7.5	10.9	6.9
Gold produced	Oz	32,375	21,661	78,110	46,050
Gold equivalent produced[1]	Oz	34,816	24,347	82,633	51,809
Gold sold	Oz	28,864	19,064	74,750	47,061
Cash costs per gold ounce sold[2]	$/Oz	786	919	651	928
All-in sustaining costs per gold ounce sold[2]	$/Oz	1,408	1,510	1,168	1,424
Financial data					
Revenue	$	96,343	47,791	240,944	107,589
Cost of sales	$	32,355	27,742	66,492	68,631
Net earnings	$	39,201	6,137	109,441	9,204
Cash flow from operating activities	$	45,845	15,645	108,857	40,740
Cash, ending balance	$	182,935	71,073	182,935	71,073
Basic earnings per share	$/sh	0.16	0.03	0.46	0.04
Diluted earnings per share	$/sh	0.16	0.03	0.45	0.04

Performance Summary

Operational – Six Months Ended June 30, 2025 ("YTD Q2 2025")

- **Gold Production:** 78,110 ounces of gold and 82,633 ounces of gold equivalent ("**AuEq**") were produced in YTD Q2 2025, compared to 46,050 ounces of gold and 51,809 ounces of AuEq in YTD Q2 2024, representing a 70% increase in gold production and a 59% increase in AuEq production, exceeding budget. The increase in gold production was primarily driven by higher head grades, improved recoveries, and a positive gold grade reconciliation relative to the independent mineral resource model.[1]

- **Material Movements:** 237,116 tonnes of ore mined in YTD Q2 2025, representing a 13% increase from the 210,263 tonnes mined in YTD Q2 2024. Total material movement, including both ore and waste, reached 653,878 tonnes in YTD Q2 2025, representing a 35% increase over the prior period. This was achieved despite a temporary impact on throughput from five cumulative days of underground power-related disruptions during electrical commissioning works for the Stage 3 Expansion.

- **Ore Processed:** 233,786 tonnes of ore were processed in YTD Q2 2025, compared to 226,214 tonnes in YTD Q2 2024. In Q2 2025, 130,337 tonnes of ore were processed, representing a 36% increase over Q2 2024 and a 26% increase over Q1 2025.

- **Head Grade:** 10.9 g/t gold, 0.53% copper, and 11.7 g/t silver (11.6 g/t AuEq) in Q2 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.

- **Metallurgical Recoveries:** 94.7% gold and 94.9% copper recoveries were achieved in YTD Q2 2025, compared to 91.9% gold and 93.1% copper in YTD Q2 2024. In Q2 2025, recoveries of 93.3% gold and 94.9% copper marked the fourth consecutive quarter exceeding the definitive feasibility study benchmarks of 92.6% for gold and 94.2% for copper.

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[1] Gold equivalent calculated based on gold $3,039 per ounce (2024 - $2,196), silver $32.67 per ounce (2024 - $25.70) and copper $4.29 per pound (2024 - $4.10).

- **Mine Development:** 4,960 metres of lateral development were completed in YTD Q2 2025, compared to 3,639 metres in YTD Q2 2024. Development rates benefited 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), along with the water infrastructure upgrade commissioned in late January.

- **Cash Costs:** $651 per gold ounce in YTD Q2 2025, compared to $928 per gold ounce in YTD Q2 2024. The reduction was primarily driven by a higher volume of gold ounces sold (74,750 ounces in YTD Q2 2025 versus 47,061 ounces in YTD Q2 2024), with the prior year impacted by lower production following the temporary suspension of underground operations. Increased capitalization of development expenditures also contributed to the reduction, reflecting a higher proportion of capital tonnes mined relative to operating tonnes ($24.3 million in YTD Q2 2025 versus $12.2 million in YTD Q2 2024). These were partially offset by higher variable costs associated with increased throughput (233,786 ore tonnes processed in YTD Q2 2025 versus 226,214 tonnes in YTD Q2 2024) and lower by-product credits ($9.2 million in YTD Q2 2025 versus $9.9 million in YTD Q2 2024).[2]

- **All-in Sustaining Costs:** $1,168 per gold ounce in YTD Q2 2025 versus $1,424 per gold ounce in YTD Q2 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 ($32.5 million in YTD Q2 2025 compared to $17.7 million in YTD Q2 2024).[2]

Financial – YTD Q2 2025

- **Revenue:** The Company generated $222.0 million in revenue in YTD Q2 2025, an increase of $116.0 million compared to YTD Q2 2024 ($106.1 million), before pricing and quantity adjustments. Net revenue, which includes fair value adjustments to settlement receivables, was $240.9 million in YTD Q2 2025 compared to $107.6 million in YTD Q2 2024. Sales of gold in concentrate and doré increased by 59% to 74,750 ounces in YTD Q2 2025 from 47,061 ounces in YTD Q2 2024, resulting in a $69.4 million increase in revenue. In addition, a 38% increase in the average payable gold price (from $2,109 per ounce in YTD Q2 2024 to $2,904 per ounce in YTD Q2 2025) contributed a further $48.4 million to revenue.[3]

- **Cash and Cash Equivalents:** $182.9 million as of June 30, 2025, compared to $140.1 million as of December 31, 2024. During the period, the Company spent $64.5 million on expansion capital and $8.0 million on exploration activities.

- **Operating Cash Flow:** $127.9 million in operating cash flow (prior to working capital adjustments) in YTD Q2 2025 compared to $37.4 million in YTD Q2 2024.[4]

- **Gross Margins:** 70% and 72% (before and after pricing adjustments), respectively, in YTD Q2 2025, compared to 35% and 36%, respectively, in YTD Q2 2024. The improvement was primarily driven by an increase in gold ounces sold and higher average payable gold prices.[5]

- **EBITDA:** $166.9 million in YTD Q2 2025, compared to $34.2 million in YTD Q2 2024.[2]

- **Income Tax Payments:** $28.9 million in YTD Q2 2025 compared to $3.2 million in YTD Q2 2024. Subsequent to June 30, 2025, the Company remitted $39.0 million in installment taxes to the Papua New Guinea government.

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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.

Expansion – YTD Q2 2025

- **Stage 3 Expansion Progress:** Construction on the Stage 3 Expansion Plant is rapidly advancing toward completion, with a major milestone achieved in late June through the commencement of commissioning of the new 1.2 million tonnes per annum ("**mpta**") process plant. All pre-commissioning activities, including inching of both the SAG and ball mills, were completed during the quarter. The Company expects to achieve practical completion in the first half of Q4 2025, marking the point at which the plant is ready to accept ore and initial handover from the contractor to the Company occurs. Following this, the plant will be optimized through a joint effort between the Company and the contractor. A performance test is expected to be completed within 30 days, confirming the plant is operating as intended and finalizing the full handover to the Company.

- **Paste Plant:** Tailings management upgrades are being advanced as part of the Stage 3 and 4 Expansions through the construction of a paste plant, designed to enhance underground backfill support, increase mining flexibility, and reduce surface tailings deposition. In Q2 2025, significant progress was made with the award of the engineering, procurement and construction management ("**EPCM**") contract for the pastefill filtration plant and the EPC contract for the surface storage facility packages, while the underground pastefill plant package was self-awarded for in-house execution earlier in the quarter. Commissioning of all three facilities is expected to commence in mid-Q1 2026, with completion of construction activities at the full pastefill circuit remaining on schedule for mid-2026.

- **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 Wera.

- **Vertical Development**: The infrastructure-driven transformation of the underground mine as part of the Stage 3 Expansion is nearing completion, with key vertical development projects well advanced and scheduled for completion in Q3 2025. These include the ore/waste pass connecting the main mine to the Twin Incline, the Puma ventilation drive, and two additional raisebore ventilation raises. In June, the Company also completed a major communications systems upgrade, including the installation of a wifi/fibre optic backbone. This enabled the commissioning of surface-operated tele-remote loaders during the quarter, with first production expected in early Q3 2025.

- **Ancillary and Supporting Infrastructure:** Several ancillary projects were completed in Q2 2025, including: (1) the temporary power station, (2) Phase 1 of the permanent power station, and (3) the Kumian Creek Camp, a 160-ensuite room accommodation facility. Initially used for construction personnel, the camp will later support the Stage 4 Expansion workforce.

Corporate – YTD Q2 2025

- **Loan Agreement with Trafigura:** During the six months ended June 30, 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 June 30, 2025, the Company had \$60.0 million drawn under the Canadian Credit Facility, \$Nil drawn under the PNG Credit Facility, and \$60 million remaining available under the Loan.

- **Derivative Instruments:** To reduce exposure to gold price fluctuations during the provisional pricing period, the Company purchased gold put option contracts. As at June 30, 2025, the Company held contracts for 15,000 ounces per month from July to December 2025 with a strike price of \$3,000 per ounce. These contracts resulted in a \$3.4 million loss during the six months ended June 30, 2025.

Last 4 Quarters of Production Data

		2024		2025		
		Quarter 3	Quarter 4	Quarter 1	Quarter 2	Total
Tonnes processed	t	104,992	96,614	103,449	130,337	435,392
Feed grade Au	g/t	13.0	17.3	14.3	8.3	12.9
Feed grade Cu	%	0.58	0.47	0.50	0.55	0.53
Recovery (%) Au	%	95.3	96.4	95.8	93.3	95.1
Recovery (%) Cu	%	95.1	94.7	95.1	94.9	95.0
Metal in concentrate produced Au	oz	41,702	51,371	45,735	32,375	171,183
Metal in concentrate produced Cu	t	580	435	518	697	2,230
Metal in concentrate produced Ag	oz	37,613	41,992	34,085	42,824	156,514
Gold equivalent ounces produced	oz	44,304	53,401	47,817	34,816	180,338

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 all-in sustaining costs ("**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 Q2 2025, the Company produced 34,816 ounces AuEq, comprising 32,375 ounces of gold, 1,536,505 pounds of copper, and 42,824 ounces of silver. This brought total production for the first half of 2025 to 82,633 ounces AuEq, positioning the Company ahead of budget and on track to meet its full-year production guidance.

The process plant processed 130,337 tonnes during the quarter, representing a 26% increase over Q1 2025, with a head grade averaging 8.9 g/t AuEq, or 8.3 g/t gold, 0.55% copper, and 12.1 g/t silver. The increase in throughput reflects both strong operational performance and a reduction in average feed grade compared to Q1 2025.

Metallurgical performance remained strong, with gold and copper recoveries averaging 93.3% and 94.9%, respectively, continuing to exceed the Updated Definitive Feasibility Study ("**DFS**") recovery parameters of 92.6% for gold and 94.2% for copper. This marks the fourth consecutive quarter of recoveries above DFS levels.

The mine delivered 133,063 tonnes of ore during Q2 2025, with mining activity spanning 13 levels, including the 1090, 1110, 1305, 1325, 1345, and 1365 levels at Kora, and the 970, 990, 1170, 1325, 1345, 1365, and 1385 levels at Judd. Total material movement, including ore and waste, reached 338,696 tonnes - marking the second-highest quarterly total on record.

Mine development totaled 2,466 metres in Q2 2025, with multiple key milestones achieved even though Stage 3 Expansion electrical commissioning works resulted in a cumulative five days of disruptions to the underground. Key milestones included continued progress on the Puma ventilation drive, two new ventilation raisebores, and the ongoing development of new mining fronts at Twin Incline and Lower Kora. Four new sublevels were advanced at the Twin Incline front and two at Lower Kora, with stoping in both areas expected to commence in Q4 2025.

Development rates are expected to continue improving through the second half of 2025, supported by: 1) the near-completion of major infrastructure upgrades, including vertical development and communications systems, 2) the opening of multiple new mining fronts, 3) increased utilization of equipment already onsite, and 4) enhanced maintenance and workforce productivity initiatives.

Capital Expenditure

Stage 3 Expansion

The Stage 3 and 4 Expansions are expected to be transformational for the Kainantu Gold Mine. The Stage 3 Expansion is designed to double current throughput capacity to 1.2 mtpa, while the Stage 4 Expansion is expected to further increase throughput to 1.8 mtpa - representing 100% and 200% increases, respectively, compared to the 600,000 tpa capacity of the Stage 2A Expansion.

During Q2 2025, major progress was made on the Stage 3 Expansion, highlighted by the commencement of commissioning of the new 1.2 mtpa process plant in late June. All pre-commissioning activities, including inching of the SAG and ball mills, were completed during the quarter. As at June 30, 2025, approximately 86% of Stage 3 Expansion growth capital had been either spent or committed (up from 75% as at March 31, 2025), and the project remains on budget. The grinding circuit remains the most advanced area of construction and continues to represent the critical path of the overall schedule. The Company expects to achieve practical completion in the first half of Q4 2025, marking the point at which the plant is ready to accept ore and initial handover from the contractor to the Company occurs. Following this, the plant will be optimized through a joint effort between the Company and the contractor. A performance test is expected to be completed within 30 days, confirming the plant is operating as intended and finalizing the full handover to the Company.

The pastefill plant also progressed meaningfully during the quarter. The EPCM contract for the pastefill filtration plant and the EPC contract for the surface storage facility were awarded in June, while the underground pastefill package was self-awarded for in-house execution earlier in the quarter. Commissioning of all three facilities is targeted for mid-Q1 2026, with completion of the full pastefill circuit scheduled for mid-2026. Site preparation has been completed, and supporting infrastructure such as fencing, haul roads, and river crossings is now in place. GR Engineering Services Limited continues to lead detailed engineering work.

Several ancillary projects were completed during the quarter to support the Stage 3 Expansion, including the temporary power station, Phase 1 of the permanent power station, and the 160-room Kumian Creek Camp. The camp, initially utilized for construction personnel, will support the workforce required for the Stage 4 Expansion.

Twin Incline Development

Development of the Twin Incline is substantially complete, with the loading pocket at the 840L required for production use and scheduled for completion in Q3 2025. This infrastructure will enable the movement of material from the top of the pass to the bottom for rehandling into trucks at the 840L loading pocket. During Q2 2025, significant development occurred on new mining fronts, including four new sublevels at the Twin Incline and two new sublevels at Lower Kora, with stoping in these areas expected to commence in Q4 2025.

The Twin Incline is a cornerstone of Kainantu's long-term growth strategy, supporting both the Stage 3 and Stage 4 Expansions and enabling improved material and personnel movement throughout the underground mine.

Ore Pass System

Development of the ore and waste pass system is progressing in line with the schedule to enhance material transport efficiency. The primary raise boring for the first material pass was completed in early Q1 2025, and the full system is expected to be operational by early Q3 2025. Meanwhile, the smaller raise bore rig continues to deliver short raises between levels - supporting essential infrastructure such as ventilation systems, escapeways, and service access.

Puma Ventilation Incline

Development of the Puma ventilation incline advanced during the quarter and remains on schedule to break through in early Q3 2025. The incline is a key component of the long-term ventilation strategy supporting higher underground mining rates as part of the Stage 3 Expansion.

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 344 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 June 5, 2025, *"K92 Mining Announces Expansion of Near-Mine Infrastructure Dilatant Zone, High-Grade Zone Extensions and Potential New High-Grade Zone Along Strike"* 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.

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

Surface Exploration

Exploration drilling was carried out at Arakompa. During Q2 2025, a total of 16 holes were completed, with an additional four in progress for a combined total of 7,441.4 meters drilled.

Surface geochemical sampling and detailed geological mapping continued at the Wera, Arakompa/Maniape, and Mati-Mesoan prospects, with a total of 1,971 geochemical samples collected. Trench sampling during Q2 2025 focused on the Mati-Mesoan and Wera prospects, resulting in the completion of 28 trenches, with one additional trench in progress. A total of 274 trench samples were collected.

Arakompa

Drilling at Arakompa continued with 3 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 Q2 2025, 11 holes were completed, and an additional three are currently in progress, for a total of 6,789.2 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.

Wera

Drilling commenced at the Wera prospect late in Q2 2025 with one contractor rig targeting follow up scout drilling of encouraging trenches. Five scout holes were completed with an additional hole in progress, for a combined total of 652.5 metres drilled.

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 on the underground grade control and exploration section of this 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 on 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 second quarter of 2025 with zero lost-time injuries, marking 734 consecutive days without a lost-time incident at its operations. As of June 30, 2025, the Company's lost-time injury frequency rate ("**LTIFR**") was zero and its total recordable injury frequency rate ("**TRIFR**") was 0.91. 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 is working towards the signing of a revised MOA that provides a framework for the relationship between the Company, the PNG community, and government and sets out commitments from the various parties. In July 2020, the Company held a formal MOA meeting involving local landowners, the State, and the Provincial Government. 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 will require 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 June 30, 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 is working 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 June 30, 2025, physical completion of the road stood at 32%.

The Company is advancing 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.

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 is advancing 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 with school enrollment by covering 50% of primary and secondary school fees for employees' 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 June 30, 2025, these contracts generated $15.0 million in revenue, supporting local communities.

Sustainability

The Company released its 2024 Sustainability Report in June 2025. The report provides an overview of the Company's environmental, social and governance ("**ESG**") priorities and performance. The report was prepared in alignment with the Sustainability Accounting Standards Board ("**SASB**") Metals and Mining Standard. The 2024 Sustainability Report is available on the Company's website at www.k92mining.com/responsible-mining. The Company is also closely monitoring developments of the Canadian Sustainability Disclosures Standards ("**CSDS**") following its release by the Canadian Sustainability Standards Board ("**CSSB**") in December 2024.

In May 2025, the Company released 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.

Results of Operations for the six months ended June 30, 2025 as compared to June 30, 2024

In YTD Q2 2025, the Company generated net earnings of $109.4 million (2024 – $9.2 million) and earnings before taxes of $156.3 million (2024 – $16.5 million). Significant items contributing to earnings, and changes compared to the prior year, are summarized below:

- **Revenue** of $240.9 million (2024 – $107.6 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 $66.5 million (2024 - $68.6 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 ($24.3 million in YTD Q2 2025 versus $12.2 million in YTD Q2 2024). The prior year saw lower capitalization as a result of reduced development activity during the temporary suspension of underground operations.

- **Earnings from mine operations** of $174.5 million (2024 - $39.0 million), which is calculated by subtracting cost of sales from revenue.

- **General and administrative** of $6.8 million (2024 – $5.8 million). The increase is primarily due to additional corporate hires and increased management fees and wages.

- **Exploration and evaluation expenditures** of $8.0 million (2024 – $8.8 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. Surface drilling capacity increased in late Q2 2025 with the return to service of a fourth rig following repair and maintenance. A fifth drill rig arrived on site in June and is currently undergoing final commissioning, with drilling expected to commence in early Q3 2025. In addition, a new drill contractor began regional exploration drilling in May 2025 and remains active, helping to offset the shortfall in drill capacity.

- **Share-based payments** of $3.0 million (2024 - $2.0 million). The increase is primarily due to the timing, valuation, and vesting of Restricted Share Units ("**RSUs**") and Performance Share Units ("**PSUs**") awards granted to directors, employees, and consultants during the period.

- **Interest income** of $2.6 million (2024 – $0.9 million). The increase is primarily due to higher average cash balances compared to the prior period.

- **Loss on derivative instruments** of $3.4 million (2024 – $3.6 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 $3,287 per ounce at June 30, 2025.

- **Income tax expense** of $46.8 million (2024 – $7.3 million). The increase is due to current taxes and the estimated use of carryforward tax attributes in Papua New Guinea.

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)	June 30, 2025	March 31, 2025	December 31, 2024	September 30, 2024
Total assets	$ 760,561	$ 721,038	$ 628,269	$ 553,539
Working capital	189,336	187,666	116,968	122,828
Shareholders' equity	595,774	550,961	474,740	414,211
Revenue	96,343	144,601	120,285	122,749
Net earnings	39,201	70,240	55,524	46,496
Net earnings per share, basic	0.16	0.29	0.23	0.20
Net earnings per share, diluted	0.16	0.29	0.23	0.19

	June 30, 2024	March 31, 2024	December 31, 2023	September 30, 2023
Total assets	$ 469,233	$ 421,654	$ 412,832	$ 388,271
Working capital	91,729	89,286	99,623	97,335
Shareholders' equity	365,492	355,649	350,892	328,533
Revenue	47,791	59,798	75,316	32,814
Net earnings (loss)	6,137	3,067	19,980	(619)
Net earnings (loss) per share, basic	0.03	0.01	0.09	(0.00)
Net earnings (loss) per share, diluted	0.03	0.01	0.08	(0.00)

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 June 30, 2025 as compared to June 30, 2024

During the three months ended June 30, 2025, the Company generated net earnings of $39.2 million (2024 – $6.1 million) and earnings before taxes of $54.7 million (2024 – $9.9 million). Significant items contributing to earnings, and changes compared to the prior year, are summarized below:

- **Revenue** of $96.3 million (2024 – $47.8 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 $32.4 million (2024 - $27.7 million), including mining, processing, technical services, maintenance, site administration, operational health and safety, share-based payments, depreciation, and net smelter royalties. The increase in cost of sales was primarily due to a higher mining and processing activity with ore mined totaling 237,116 tonnes (2024 – 210,263 tonnes) and ore processed totaling 233,786 tonnes (2024 – 226,214 tonnes). This increase was partially offset by a higher proportion of capital tonnes mined relative to operating tonnes, resulting in increased capitalization of development expenditures ($12.5 million in 2025 versus $6.9 million in 2024), with the prior year reflecting lower capital development due to the temporary suspension of underground operations.

- **Earnings from mine operations** of $64.0 million (2024 - $20.0 million), which is calculated by subtracting cost of sales from revenue.

- **General and administrative** of $3.1 million (2024 – $2.6 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 – $4.2 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 quarter. Surface drilling capacity increased in late Q2 2025 with the return to service of a fourth rig following repair and maintenance. A fifth drill rig arrived on site in June and is currently undergoing final commissioning, with drilling expected to commence in early Q3 2025. In addition, a new drill contractor began regional exploration drilling in May 2025 and remained active throughout the quarter, helping to offset the shortfall in drill capacity.

- **Share-based payments** of $1.4 million (2024 - $0.9 million). The increase is primarily due to the timing, valuation, and vesting of RSU and PSU awards granted to directors, employees, and consultants during the period.

- **Interest income** of $1.4 million (2024 – $0.4 million). The increase is primarily due to higher average cash balances compared to the prior period.

- **Loss on derivative instruments** of $2.6 million (2024 – $2.1 million), from realized and unrealized losses on commodity contracts and put options. The loss is primarily driven by the increase in gold prices from $3,115 per ounce at March 31, 2025 to $3,287 per ounce at June 30, 2025.

- **Income tax expense** of $15.5 million (2024 – $3.8 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

AISC 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 AISC 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 June 30, 2025	Three months ended June 30, 2024	Six months ended June 30, 2025	Six months ended June 30, 2024
Cost of Sales	$ 32,355	$ 27,742	$ 66,492	$ 68,631
Add: treatment and refining costs	1,887	1,233	4,182	3,109
Less: non-cash costs included into cost of sales	(94)	(304)	(188)	(837)
Less: depreciation	(6,124)	(7,340)	(12,656)	(17,327)
Less: by-product credits	(5,349)	(3,819)	(9,152)	(9,910)
Cash cost of sales	22,675	17,512	48,678	43,666
Add: accretion	125	149	252	301
Add: general and administrative costs	3,092	2,579	6,799	5,846
Add: sustaining capital expenditures[6]	14,983	8,729	32,118	17,684
Less: business development and non-sustaining costs	(245)	(189)	(519)	(485)
All-in sustaining costs	40,630	28,780	87,328	67,012
Gold ounces, sold	28,864	19,064	74,750	47,061
Cash cost per gold ounce, sold	$ 786	$ 919	$ 651	$ 928
All-in sustaining cost per gold ounce, sold	$ 1,408	$ 1,510	$ 1,168	$ 1,424

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

(In thousands of United States Dollars, except as noted)	Three months ended June 30, 2025	Three months ended June 30, 2024	Six months ended June 30, 2025	Six months ended June 30, 2024
Cost of Sales	$ 32,355	$ 27,742	$ 66,492	$ 68,631
Add: treatment and refining costs	1,887	1,233	4,182	3,109
Less: non-cash costs included into cost of sales	(94)	(304)	(188)	(837)
Less: depreciation	(6,124)	(7,340)	(12,656)	(17,327)
Cash cost of sales	28,024	21,331	57,830	53,576
Add: accretion	125	149	252	301
Add: general and administrative costs	3,092	2,579	6,799	5,846
Add: sustaining capital expenditures	14,983	8,729	32,118	17,684
Less: business development and non-sustaining costs	(245)	(189)	(519)	(485)
All-in sustaining costs	45,979	32,599	96,480	76,922
Gold equivalent ounces, sold	30,885	21,046	78,730	52,475
Cash cost per gold equivalent ounce, sold	$ 907	$ 1,014	$ 735	$1,021
All-in sustaining cost per gold equivalent ounce, sold	$ 1,489	$ 1,549	$ 1,225	$1,466

[6] Sustaining capital expenditures for the six months ended June 30, 2025 is the purchase of property, plant and equipment ("PPE") from the statement of cash flows of $94.1 million (2024 - $65.7 million), plus other sustaining expenditures of $1.0 million (2024 - $2.4 million), less net PPE amounts included in accounts payable related to expansion costs of $0.2 million (2024 – $4.2 million), plus net deposits for equipment $2.0 million (2024 - $1.6 million), less expansion costs of $64.9 million (2024 - $47.7 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 June 30, 2025	Three months ended June 30, 2024	Six months ended June 30, 2025	Six months ended June 30, 2024
Net earnings for the period	$ 39,201	$ 6,137	$ 109,441	$ 9,204
Add: Income taxes	15,523	3,801	46,828	7,287
Add: Depreciation of property, plant and equipment	6,124	7,340	12,656	17,327
Add: Interest and finance expense	253	218	524	1,306
Less: Interest income	(1,362)	(382)	(2,558)	(912)
EBITDA	$ 59,739	$ 17,114	$ 166,891	$ 34,212

Liquidity

As at June 30, 2025, the Company had cash and cash equivalents and term deposits of $182.9 million (December 31, 2024 – $141.3 million) and working capital of $189.3 million (December 31, 2024 – $117.0 million). Working capital consisted of current assets of $281.2 million (December 31, 2024 – $209.3 million) less current liabilities of $91.9 million (December 31, 2024 – $92.3 million).[7]

Operating Activities: In YTD Q2 2025, the Company generated $108.9 million (2024 – $40.7 million) from operating activities.

Investing Activities: In YTD Q2 2025, the Company paid $94.1 million (2024 - $65.7 million) for property, plant, and equipment, $1.7 million (2024 – $0.6 million) for deposits, and received $21.8 million (2024 – $6.6 million) on the redemption of term deposits.

Financing Activities: In YTD Q2 2025, the Company received $8.4 million (2024 – $2.7 million) from the exercise of stock options and $20.0 million (2024 – $40.0 million) in proceeds from the Loan. The Company paid $1.0 million (2024 – $2.9 million) in lease principal payments, $0.2 million (2024 – $1.1 million) in loan transaction costs, and $20.0 million (2024 – $Nil) in loan principal payments.

The Company's financial position at June 30, 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)		Six months ended June 30, 2025		Six months ended June 30, 2024
Share-based compensation	$	3,931	$	1,882
Management, consulting and wages		2,331		1,969
Professional fees		36		164

Included in accounts payable and accrued liabilities is $0.9 million (December 31, 2024 – $0.9 million) due to key management personnel, of which $0.4 million (December 31, 2024 – $0.4 million) is payable to Mining, Processing and Project Consulting Pty Ltd., a company owned by the CEO, for management services, and $0.1 million (December 31, 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 242,174,306 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
6.00 – 8.99	1,360,700	1,360,700	7.32	0.42
	1,360,700	1,360,700	7.32	0.42

As at the date of this report, the Company had 1,541,335 RSUs and 1,431,167 PSUs outstanding. No additional RSU or PSU grants were authorized between the period end and the date of this report. Subsequent to June 30, 2025, 178,133 RSUs and 269,488 PSUs were converted into common shares.

Subsequent Event

Subsequent to June 30, 2025, the Company remitted $39.0 million in installment taxes to the Papua New Guinea government.

Off-Balance Sheet Arrangements

As at June 30, 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	June 30, 2025		December 31, 2024	
	Level 1	Level 2	Level 1	Level 2
Trade receivables	$ -	$ 38,879	$ -	$ 20,208
Derivative assets	-	1,392	-	801
Derivative liabilities	-	-	-	(1,374)
	$ -	$ 40,271	$ -	$ 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 June 30, 2025.

As at June 30, 2025, and December 31, 2024, the carrying amounts of cash and cash equivalents, term deposits, other receivables, current loan liability, and accounts payable and accrued liabilities approximate their fair values due to the short-term nature of these instruments. The fair value of the Company's non-current loan liability also approximates its carrying amount, as it bears a floating interest rate and the Company's credit spread has remained relatively stable.

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 June 30, 2025, a single Canadian chartered bank holds approximately 51% (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 June 30, 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 six months ended June 30, 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 six months ended June 30, 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 six months ended June 30, 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 Securities and Exchanges Commission ("**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.