MINING INC.

("K92" or "the Company")

FORM 51-102F1

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2026

Introduction

This Management's Discussion and Analysis ("**MD&A**") of K92 Mining Inc. (including its wholly owned subsidiaries) is the responsibility of management and covers the three and six months ended June 30, 2026. The MD&A takes into account information available up to and including August 9, 2026 and should be read together with the unaudited condensed consolidated interim financial statements for the three and six months ended June 30, 2026, 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. and its subsidiaries.

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, 2025.

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, 2026	Three months ended June 30, 2025	Six months ended June 30, 2026	Six months ended June 30, 2025
Operating data					
Ore mined	t	228,254	133,063	382,357	237,116
Ore processed	t	225,965	130,337	367,982	233,786
Feed grade	g/t	6.2	8.3	7.7	10.9
Gold produced	Oz	42,931	32,375	86,953	78,110
Gold equivalent produced[1]	Oz	46,093	34,816	92,836	82,633
Gold sold	Oz	46,682	28,864	91,536	74,750
Cash costs per gold ounce sold[2]	$/Oz	859	786	824	651
All-in sustaining costs per gold ounce sold[2]	$/Oz	1,376	1,408	1,399	1,168
Financial data					
Revenue	$	205,246	96,343	441,526	240,944
Cost of sales	$	64,688	32,355	121,968	66,492
Net earnings	$	84,582	39,201	201,212	109,441
Cash flow from operating activities	$	116,804	45,845	230,956	108,857
Cash, ending balance	$	349,427	182,935	349,427	182,935
Basic earnings per share	$/sh	0.34	0.16	0.82	0.46
Diluted earnings per share	$/sh	0.34	0.16	0.81	0.45

Performance Summary

Operational - Six Months Ended June 30, 2026 ("YTD Q2 2026")

- **Gold Production:** 86,953 ounces of gold or 92,836 ounces of gold equivalent ("**AuEq**") produced in YTD Q2 2026, compared to 78,110 ounces of gold or 82,633 ounces of AuEq produced in YTD Q2 2025. The Company reiterates its 2026 annual production guidance of 190,000 to 225,000 ounces AuEq, with production expected to be strongest in H2 2026, driven by the progressive ramp-up in ore tonnes mined and processed from two new mining fronts and the completion of key expansion enabler projects.[1]

- **Material Movements:** 382,357 tonnes of ore were mined in YTD Q2 2026, representing a 61% increase from the 237,116 tonnes mined in YTD Q2 2025, including record quarterly ore mined of 228,254 tonnes in Q2 2026, with mining activity across 15 levels. Total material movement, including both ore and waste, reached 804,442 tonnes in YTD Q2 2026, a 23% increase from the 653,878 tonnes in YTD Q2 2025. During the three months ended June 30, 2026 ("**Q2 2026**") the Company set a quarterly record of 426,012 tonnes. The improvement reflects the introduction and progressive ramp-up of the second mining front, together with key Stage 3 Expansion materials handling infrastructure: the second material pass (completed in June 2026), the internal ramp connecting the Main Mine with the Twin Incline (Q1 2026) and the Puma Ventilation Drive (Q1 2026).

- **Ore Processed:** 367,982 tonnes of ore were processed in YTD Q2 2026, a 57% increase over the 233,786 tonnes processed in YTD Q2 2025. The 225,965 tonnes processed in Q2 2026 was a quarterly record, up 73% over Q2 2025 and 59% over Q1 2026.

- **Head Grade:** 7.7 g/t gold, 0.46% copper, and 9.5 g/t silver (8.3 g/t AuEq) in YTD Q2 2026, with a positive gold grade reconciliation versus the latest independent mineral resource estimate (September 12, 2023 effective date for Kora and Judd).

[1] Gold equivalent calculated based on gold $4,640 per ounce (YTD Q2 2025 - $3,039), silver $75.65 per ounce (YTD Q2 2025 - $32.67) and copper $5.90 per pound (YTD Q2 2025 - $4.29).

- **Metallurgical Recoveries:** 94.5% gold and 93.6% copper recoveries achieved in YTD Q2 2026, compared to 94.7% gold and 94.9% copper recoveries in YTD Q2 2025. In Q2 2026, recoveries of 93.8% gold and 93.2% copper were achieved, with gold recovery exceeding the Updated Definitive Feasibility Study ("**DFS**") recovery parameter of 92.6% for the ninth consecutive quarter.

- **Mine Development:** 6,333 metres of lateral development completed in YTD Q2 2026, a 28% increase from the 4,960 metres completed in YTD Q2 2025, including record quarterly mine development of 3,326 metres in Q2 2026, a 35% increase from Q2 2025 and an 11% increase from Q1 2026, and a new monthly development record of 1,150 metres achieved in May 2026. Lateral development rates continue to exceed the Stage 3 Expansion requirement of 1,000 metres per month, even with jumbo resources partially allocated to key underground projects, including the underground pastefill excavations and the Stage 4 primary ventilation upgrade. Performance was supported by the completion of a number of infrastructure and operational improvement initiatives in H2 2025 and Q1 2026, the introduction of additional equipment (four new loaders added year-to-date), and operational excellence initiatives, including the successful transition from 24-hour to 12-hour firing achieved in Q1 2026. Further improvements to development rates are expected in the second half of the year following the completion of the Underground Paste Plant excavations in June 2026, the delivery of the second material pass in June 2026, and the completion of the Stage 4 primary ventilation upgrade electrification in the second half of Q3 2026.

- **Cash Costs:** $824 per gold ounce in YTD Q2 2026 versus $651 per gold ounce in YTD Q2 2025. The increase primarily reflects higher operating costs as activity ramped up across the operation to support the higher throughput levels of the Stage 3 Expansion, with ore mined increasing 61% to 382,357 tonnes (YTD Q2 2025: 237,116 tonnes), combined with lower gold head grade of 7.7 g/t (YTD Q2 2025: 10.9 g/t). These impacts were partially offset by higher by-product credits of $24.2 million (YTD Q2 2025: $9.2 million).[2]

- **All-in Sustaining Costs:** $1,399 per gold ounce in YTD Q2 2026 versus $1,168 per gold ounce in YTD Q2 2025. The increase primarily reflects the higher cash costs noted above, combined with higher sustaining capital expenditures of $44.2 million (YTD Q2 2025: $32.1 million), which included higher underground capital development expenditures of $24.7 million (YTD Q2 2025: $18.0 million).[2]

Financial - YTD Q2 2026

- **Revenue:** The Company generated record revenue of $437.8 million in YTD Q2 2026, an increase of $215.7 million from $222.0 million in YTD Q2 2025, before pricing and quantity adjustments. Net revenue, including fair value adjustments to settlement receivables, was $441.5 million in YTD Q2 2026 compared to $240.9 million in YTD Q2 2025. The increase was driven by a 57% higher average payable gold price ($2,904 per ounce in YTD Q2 2025 to $4,566 per ounce in YTD Q2 2026), contributing $138.2 million. In addition, sales of gold in concentrate and doré increased by 22% to 91,536 ounces in YTD Q2 2026 from 74,750 ounces in YTD Q2 2025, resulting in a $62.7 million increase in revenue. The balance of the increase reflects higher copper and silver revenue, up $10.7 million and $4.1 million respectively.[3]

- **Cash and Cash Equivalents:** $349.4 million as of June 30, 2026, compared to $230.9 million as at December 31, 2025, representing a record cash position. During the period, the Company invested $43.8 million in expansion capital and $10.9 million in exploration activities.

- **Operating Cash Flow:** $238.0 million in operating cash flow (prior to working capital adjustments) in YTD Q2 2026, up 86% from $127.9 million in YTD Q2 2025.[4]

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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.

- **Gross Margins:** 72% before and after pricing adjustments in YTD Q2 2026, compared to 70% before pricing adjustments and 72% after pricing adjustments in YTD Q2 2025.[5]

- **EBITDA:** $320.6 million in YTD Q2 2026, an increase of 92% from $166.9 million in YTD Q2 2025.[2]

- **Income Tax Payments:** $122.5 million in YTD Q2 2026 compared to $28.9 million in YTD Q2 2025.

Expansion - YTD Q2 2026

- **Paste Plant:** Significant progress was made on key pastefill infrastructure projects during YTD Q2 2026. At the Surface Tailings Filtration Plant, wet commissioning is well advanced, with performance testing expected to be completed in Q3 2026. At the Surface Paste Binder Blending Area and Filter Cake Storage Facility, civil and concrete works are complete, with structural, mechanical and piping works well advanced, and commissioning expected in Q3 2026. At the Underground Paste Plant, construction is advancing rapidly on all levels, with excavations completed in June 2026, Silo Chamber concrete works complete, and binder mixers and screw conveyors installed. Practical completion of commissioning of the underground paste plant, which will complete the pastefill circuit, is planned for Q4 2026.

- **Material Pass:** The first material pass, commissioned in Q3 2025, continued to deliver operational benefits through YTD Q2 2026. The second material pass, 5 metres in diameter and approximately 200 metres long, was completed and operational in June 2026, enabling dedicated, operating ore and waste passes and providing a considerable boost to material handling capabilities in the Main Mine and Lower Kora, with the vast majority of material mined underground now moving through the pass system and hauled to surface via the Twin Incline. Development of a third material pass has commenced and is expected to be completed in Q4 2026, further enhancing material handling capabilities.

- **Ventilation Upgrades:**
  - ***Phase 3 Ventilation Upgrade (Puma Ventilation Drive):*** Surface breakthrough was achieved in late February 2026, increasing primary mine airflow from 200 m^3/s to 350 m^3/s (+75%), further reducing blast re-entry times and meeting the initial airflow requirements for the Stage 3 Expansion.
  - ***Stage 4 Expansion Ventilation Upgrade:*** Electrical works and associated infrastructure continued to advance during the quarter, with the Electrical Switchroom installed and the surface and Twin Incline HV cabling runs completed. Electrification is scheduled for completion in the second half of Q3 2026. Once commissioned, primary mine airflow capacity is expected to nearly double from approximately 350 m^3/s to approximately 600 m^3/s (expandable to ~700 m^3/s), providing ventilation capacity in excess of the Stage 4 Expansion and life-of-mine requirements. To conserve power, the variable-speed drive fans will initially operate based on mine demand and ramp up incrementally as required.

- **Decline-Incline Convergence Project:** Completed in late January 2026, this project has made the Main Mine accessible via the Twin Incline, with all mining fronts now connected via an internal ramp allowing for one-way traffic flow.

[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.

- **Load and Haulage Fleet Expansion:** Four new Sandvik 517i underground loaders have been added year-to-date in 2026, resulting in a net increase of two loaders following the replacement of two high-hour units. The haulage fleet is also significantly expanding, with six new 60-tonne surface trucks scheduled to arrive in Q3 2026 and expected to be operational in late Q3 2026, and an additional two units scheduled to arrive by year-end; these trucks will haul directly from underground (Twin Incline) to the process plant. Additionally, two new Sandvik 45-tonne underground trucks are scheduled to arrive in Q4 2026 as part of the ongoing fleet renewal program.

- **Power Station:** Phase 2 Power Station Expansion to 15.3 MW prime power output (from 10.7 MW) was completed and fully operational in May 2026. The expanded Primary Power Station now meets the Stage 4 Expansion total power requirements and provides increased standby power during any unexpected outages from the local hydroelectric grid.

- **New Mining Fronts:** Two new mining fronts have been substantially developed during YTD Q2 2026. At the Lower Kora mining front, the first stope ore was mined in April 2026, introducing a second mining front, with production progressively ramping up. At the Twin Incline mining front, first stope ore is expected in Q3 2026, initially from Judd, introducing a third mining front. The operation is expected to expand to four mining fronts in 2027, significantly increasing operational and throughput flexibility.

- **Surface Haul Road and River Crossings:** Major surface haul road and river crossing projects continued to advance during YTD Q2 2026, with the completion of the Baupa Bridge in April 2026. At the Kokomo Bridge, crossing deck construction is well advanced, with completion targeted for mid-Q3 2026. At the Kasese river crossing, culvert concrete works have been completed and backfilling is nearing completion, with the crossing expected to be completed in mid-Q3 2026. These river crossing projects, in addition to the ongoing haul road widening and straightening upgrades, will enable a tripling of surface truck payload capacity (from 20 tonnes to 60 tonnes) at notably faster cycle times, to meet Stage 3 and 4 Expansion throughput requirements and deliver cost savings via economies of scale.

- **Exploration and Drilling Operations:** Exploration remains focused on resource growth across Kora, Kora South, Kora Deeps, Judd, Judd South, Judd Deeps, Arakompa, Maniape, and Wera. A record exploration program is planned for 2026, with a budget of $31 to $35 million. The first of two new surface rigs arrived on site in early April and the second in June, increasing the total to 14 rigs.

Corporate - YTD Q2 2026

- **Loan Agreement with Trafigura:** During the six months ended June 30, 2026, the Company repaid $10.0 million under the K92 Mining Inc. credit facility ("**Canadian Credit Facility**"). As at June 30, 2026, the Company had $40.0 million drawn under the Canadian Credit Facility, $Nil drawn under the K92 Mining Limited credit facility ("**PNG Credit Facility**"), and $60.0 million remaining available.

- **Derivative Instruments:** To mitigate exposure to gold price fluctuations during the provisional pricing period, the Company purchased gold put option contracts. These protective instruments provide downside protection without capping upside participation, and the Company's maximum potential loss is limited to the premiums paid to purchase the options. As at June 30, 2026, the Company held contracts covering 10,000 ounces per month for July through December 2026 with a strike price of $3,500 per ounce. For the six months ended June 30, 2026, the Company recognized a loss of $0.3 million on these options, comprising the premiums on contracts that expired during the period and the period-end fair value adjustment on those outstanding.

Last 4 Quarters of Production Data

		2025		2026		
		Quarter 3	Quarter 4	Quarter 1	Quarter 2	Total
Tonnes processed	t	137,172	186,198	142,017	225,965	691,352
Feed grade Au	g/t	10.7	7.4	10.2	6.2	8.2
Feed grade Cu	%	0.47	0.53	0.56	0.39	0.48
Recovery (%) Au	%	95.0	94.3	95.1	93.8	94.4
Recovery (%) Cu	%	94.6	93.9	94.0	93.2	93.8
Metal in concentrate produced Au	oz	42,244	44,129	44,022	42,931	173,326
Metal in concentrate produced Cu	t	600	880	770	808	3,058
Metal in concentrate produced Ag	oz	34,831	47,427	38,845	50,109	171,212
Gold equivalent ounces produced	oz	44,323	47,178	46,743	46,093	184,337

2026 Operational Outlook

- **Gold equivalent production of 190,000 to 225,000 ounces**, an increase from record 2025 production of 174,134 oz AuEq. Production is weighted to H2 2026, driven by the progressive ramp-up of two new mining fronts and the key expansion enabler projects, expected to complete in Q3 2026.
- **Cash costs of $710 to $770 per ounce gold and AISC of $1,250 to $1,350 per ounce gold.** On a co-product basis, cash costs of $980 to $1,040 per ounce AuEq and AISC of $1,480 to $1,580 per ounce AuEq.
- **Exploration expenditures of $31 to $35 million**, a record program focused on near-mine targets including Arakompa, Maniape, and Judd North, as well as regional exploration at Wera. Underground drilling will focus on Kora, Kora South, Kora Deeps, Judd, Judd South, and Judd Deeps.
- **Growth capital is forecasted at $100 to $108 million for 2026**, comprising $25 to $28 million for Stage 3 Expansion capital and $75 to $80 million in Stage 4 Expansion and accelerated growth capital.

Operations

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

During Q2 2026, the Company produced 46,093 ounces AuEq, comprising 42,931 ounces of gold, 1,780,506 pounds of copper, and 50,109 ounces of silver. This brought total production for the first half of 2026 to 92,836 ounces AuEq. The Company reiterates its 2026 annual production guidance of 190,000 to 225,000 ounces AuEq, with production expected to be strongest in H2 2026, driven by the progressive ramp-up in ore tonnes mined and processed from two new mining fronts and the completion of key expansion enabler projects.

The process plant processed a record 225,965 tonnes in Q2 2026, a 73% increase from Q2 2025 and a 59% increase from Q1 2026, with a head grade averaging 6.7 g/t AuEq, or 6.2 g/t gold, 0.4% copper, and 8.9 g/t silver, with a moderate positive gold and copper grade reconciliation versus the latest independent mineral resource estimate. Metallurgical performance was strong, with average recoveries of 93.8% for gold and 93.2% for copper, with gold recovery exceeding the Updated DFS recovery parameter of 92.6% for the ninth consecutive quarter. The new 1.2 million tonnes-per-annum Stage 3 Expansion Process Plant has continued to perform well since the completion of commissioning in December 2025, with commercial production declared effective January 1, 2026.

Underground operations delivered record quarterly total material mined of 426,012 tonnes, reflecting the introduction and progressive ramp-up of the second mining front and the continued contribution of key Stage 3 Expansion materials handling infrastructure, including the second material pass (completed in June 2026), the internal ramp connecting the Main Mine with the Twin Incline (Q1 2026), and the Puma Ventilation Drive (Q1 2026). The mine delivered record quarterly ore mined of 228,254 tonnes during Q2 2026, sourced from 15 active levels at Kora and Judd. Mining was conducted at Kora on the 1010, 1030, 1070, 1090, 1225, 1305, 1325, 1345, 1365, and 1385 levels and at Judd on the 1030, 1050, 1090, 1130, 1170, 1185, 1365, 1385, and 1405 levels, with long-hole open stoping performing to design.

Mine development totaled a record 3,326 metres, a 35% increase from Q2 2025 and an 11% increase from Q1 2026, including a new monthly development record of 1,150 metres achieved in May 2026, supported by the completion of a number of infrastructure and operational improvement initiatives in H2 2025 and Q1 2026, the introduction of additional equipment, and operational excellence initiatives. Lateral development rates continue to exceed the Stage 3 Expansion requirement of 1,000 metres per month, even with jumbo resources partially allocated to key underground projects. Further improvements to development rates are expected following the completion of the Underground Paste Plant excavations in June 2026, the delivery of the second material pass in June 2026, and the completion of the Stage 4 primary ventilation upgrade electrification in the second half of Q3 2026.

Capital Expenditure

Stage 3 and Stage 4 Expansions

The Stage 3 and 4 Expansions are expected to be transformational for the Kainantu Gold Mine. The Stage 3 Expansion is designed to increase 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 2026, the new 1.2 mtpa Stage 3 Expansion Process Plant continued to perform well following completion of commissioning in December 2025, with commercial production declared effective January 1, 2026.

Twin Incline Development (Stage 3)

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 movement of material and personnel throughout the underground mine. Development of the Twin Incline, including the 840L loading pocket required for production use, is complete.

Decline-Incline Convergence Project (Stage 3)

Completed in late January 2026, the Decline-Incline Convergence Project has made the Main Mine accessible via the highly productive Twin Incline, with all mining fronts now connected via an internal ramp allowing for one-way traffic flow.

Material Pass System (Stage 3)

The first material pass, commissioned in Q3 2025, continued to deliver operational benefits during YTD Q2 2026. The second material pass, 5 metres in diameter and approximately 200 metres long, was completed and operational in June 2026, enabling dedicated passes for ore and waste and providing a considerable boost to material handling capabilities in the Main Mine and Lower Kora. Development of a third material pass has commenced and is expected to be completed in Q4 2026, further enhancing material handling capabilities.

Puma Ventilation Incline (Stage 3)

Surface breakthrough was achieved in late February 2026, increasing primary mine airflow from 200 m^3/s to 350 m^3/s (+75%), further reducing blast re-entry times and meeting the initial airflow requirements for the Stage 3 Expansion.

Load and Haulage Fleet Expansion (Stage 3)

Significant load and haulage fleet expansion continued during YTD Q2 2026, with four new Sandvik 517i underground loaders added year-to-date, resulting in a net increase of two loaders following the replacement of two high-hour units, supporting Stage 3 Expansion throughput levels. The haulage fleet is also significantly expanding to support Stage 3 Expansion surface haulage requirements, with six new 60-tonne surface trucks scheduled to arrive in Q3 2026 and expected to be operational in late Q3 2026, and an additional two units scheduled to arrive by year-end. Additionally, two new Sandvik 45-tonne underground trucks are scheduled to arrive in Q4 2026 as part of the ongoing fleet renewal program.

Pastefill Infrastructure (Stage 3 and Stage 4)

The pastefill circuit supports both the Stage 3 and Stage 4 Expansions, with a substantial portion of the circuit designed to handle Stage 4 capacity. The remaining components required for Stage 4 are designed to be cost-effectively added when required. Pastefill infrastructure advanced significantly during YTD Q2 2026. At the Surface Tailings Filtration Plant, wet commissioning is well advanced, with performance testing expected to be completed in Q3 2026. At the Surface Paste Binder Blending Area and Filter Cake Storage Facility, civil and concrete works are complete, with structural, mechanical and piping works well advanced, and commissioning expected in Q3 2026. At the Underground Paste Plant, construction is advancing rapidly on all levels, with excavations completed in June 2026, Silo Chamber concrete works complete, and binder mixers and screw conveyors installed. Practical completion of commissioning of the pastefill circuit is scheduled for Q4 2026, with final commissioning expected in Q1 2027.

Power Station (Stage 4)

Phase 2 Power Station Expansion to 15.3 MW prime power output (from 10.7 MW) was completed and fully operational in May 2026. The expanded Primary Power Station now meets the Stage 4 Expansion total power requirements, as well as providing increased standby power during any unexpected outages from the local hydroelectric grid.

Primary Ventilation Upgrade (Stage 4)

Electrical works and associated infrastructure for the Primary Ventilation Upgrade continued to advance during YTD Q2 2026, with the Electrical Switchroom installed and the surface and Twin Incline HV cabling runs completed. Electrification is scheduled for completion in the second half of Q3 2026. Once commissioned, primary mine airflow capacity is expected to nearly double from approximately 350 m^3/s to approximately 600 m^3/s (expandable to ~700 m^3/s), providing ventilation capacity in excess of the Stage 4 Expansion and life-of-mine requirements.

Exploration

Underground grade control and exploration

Kora and Judd Vein System

The Company continued its underground diamond drilling programs using 7 Company-owned drill rigs at the Kora and Judd deposits, focused on resource expansion, infill drilling, 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 532 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 February 18, 2026, *"K92 Mining Announces Expansion of Near-Mine Infrastructure Dilatant Zone, Significant Depth Extension From First Set of Deeps Drill Program Results and Multiple High-Grade Intersections at Kora and Judd"* for the latest drill results from the underground and surface diamond drilling programs at the Kora and Judd deposits.

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 in Q2 2026, 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 and the Wera prospect. During Q2 2026, a total of 25 holes were completed, with an additional six in progress for a combined total of 8,862 metres drilled.

Surface geochemical sampling and detailed geological mapping continued at the Wera, Tandronofi and Koata Ridge projects. During Q2 2026, a total of 771 geochemical samples were collected. This consisted of 461 soil samples, 70 rock chip samples and 240 trench samples. Trenching activities during the quarter resulted in the completion of 25 trenches.

Please see the Company's news release, dated June 4, 2026, *"K92 Mining Announces Major Expansion of Arakompa AR1 High-Grade Zone and Delineation of Substantial Near-Surface High-Grade Bulk Tonnage Zone,"* for the latest results from the surface exploration program.

Arakompa

Drilling at Arakompa continued in Q2 2026 with 5 rigs, targeting the strike and depth extensions of the lodes as well as prospective porphyry-style mineralization. Drilling to date has defined significant continuity of mineralization both along strike and at depth. During Q2 2026, 19 holes were completed, and an additional 5 are currently in progress, for a total of 7,434 metres drilled.

Wera

During Q2 2026, drilling continued at the Wera prospect with one contractor rig targeting follow up scout drilling of encouraging trenches. 6 scout holes were completed with an additional hole in progress, for a combined total of 1,428 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 2026 with zero lost-time injuries and one restricted work injury. As at June 30, 2026, the Company's lost-time injury frequency rate ("LTIFR") was 0.08, and its total recordable injury frequency rate ("**TRIFR**") was 0.31. Both rates are calculated per 1,000,000 hours worked and include both employees and contractors.

Key achievements for the quarter included developing a Crisis Management Plan and completing training for site and leadership teams. The Company also successfully rolled out the Skytrust Safety Management System and installed external defibrillators at strategic site locations.

As part of its three-year Health and Safety Strategic Plan, the Company is working on Critical Risk Standards for approval and site roll-out, continuing to embed the Skytrust Safety Management System, and developing a formal Safety Management System.

Community Relations

Memorandum of Agreement ("MOA")

The Company, in consultation with the PNG Government, local landowners, and other key stakeholders, is working towards the finalization and signing of a revised MOA, which was originally signed in 2003. The MOA provides a framework for the relationship between the Company, local communities, and government and sets out commitments from the various parties. In July 2020, the Company participated in a formal MOA meeting involving representatives from the local landowners, the State, and the Provincial Government. The parties agreed in principle on a revised MOA that will require final review and approval from the National Executive Council of the PNG Government. Finalization of the draft 2020 MOA is subject to the resolution of landowner leadership representation matters, which are currently subject to a court order that limits discussions and negotiations relating to benefits under the MOA. The original 2003 MOA remains in place as mining operations and associated expansions continue, until the new draft MOA is formally approved. During the three months ended June 30, 2026, the Company continued to engage with landowner representatives and government agencies to support the resolution of these matters and to advance the signing of the new MOA.

Community Programs

The Company continues to deliver community programs aimed at improving the quality of life for local communities. Current programs include adult literacy training, agricultural livelihood and training programs, and support for small enterprises.

The Company continues to expand its Adult Literacy Program. To date, 1,213 participants have graduated from the program across 15 villages within the host communities. Awareness activities are currently underway in local villages in preparation for the next round of training.

Building on the Adult Literacy Program, the Company entered into a memorandum of understanding with a Papua New Guinea-based early childhood literacy organization during the three months ended June 30, 2026 to train the Company's trainers, together with trainers from a local early childhood school, with the aim of expanding the program's delivery capacity.

The Company continues to advance its Sustainable Livelihoods Agriculture Program in partnership with local communities. Following the inclusion of farmers from an additional local community, the program now supports 243 local farmers across 11 farming groups and approximately 68 hectares of cultivated land, up from 210 farmers across 10 groups and 66 hectares. Women account for 76% of participating farmers. Produce is delivered to local and regional vendors, including markets in Port Moresby and Lae, and to the mine's camp dining facilities.

The Company also delivered financial literacy training and financial inclusion activities across five participating communities, with over 100 farmers completing training and more than 110 farmers registered for banking services. Produce sales under the program increased approximately 88% compared to the same period in 2025, reflecting higher production levels, improved market access, and continued growth in income opportunities for participating farming households.

Education Initiatives

The Company remains 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 Kainantu Endowment, which was founded by

K92 Mining Ltd. in 2023, provides scholarships for the advancement of Papua New Guinean students enrolled in undergraduate and postgraduate 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 donation deductibility, as a charitable body in PNG in 2024.

During the six months ended June 30, 2026, the Kainantu Endowment delivered a Work Ready Program for host communities aimed at helping participants become job ready. Over the course of the seven-day program, participants learn workplace expectations, communication, teamwork, health and safety, financial literacy, resume writing, and interview skills. The program also helps address practical barriers to employment, including obtaining identification, opening bank accounts, understanding payslips, and preparing for recruitment processes. A total of 75 participants have completed the Work Ready Program to date.

During the three months ended June 30, 2026, the Company engaged 23 members of the local community in its pre-vocational program, a 12-month program aimed at providing participants with the skills and knowledge to progress into an apprentice or trades assistant position.

Infrastructure Tax Credit Scheme

The Company continues to advance initiatives under the Infrastructure Tax Credit Scheme ("**ITCS**") of the PNG Government. Under the ITCS, expenditure on approved community projects, including local infrastructure, health programs, and educational initiatives, can be applied as a credit against corporate tax payable, up to a limit of 2.0% of the Company's assessable income or the tax otherwise payable for the year, whichever is less. 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 a local road upgrade. 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, 2026, physical completion of the road stood at 49%. The Company continues to engage with local communities and government stakeholders to plan for future ITCS projects.

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 six months ended June 30, 2026, these contracts generated $21.5 million in revenue, supporting local communities, and the Company renewed the security joint venture contract for a further three years. The Company remains committed to expanding local business participation, with a focus on building long-term capability and increasing landowner participation across its operations.

Environmental Permitting

During the three months ended June 30, 2026, the Company advanced environmental permitting work related to its new Tailings Storage Facility ("**TSF**"). Environmental authorization is required from the PNG Conservation and Environment Protection Authority ("**CEPA**") to construct and operate the new TSF, which requires the approval of an Environmental Impact Statement ("**EIS**"). The Company expects to submit the EIS to CEPA in the second half of 2026. Subject to approval from CEPA, new environmental authorizations will be included in a revised, consolidated permit covering the Company's existing mining and mining-related activities, in addition to the construction and operation of the new TSF.

Sustainability

The Company released its 2025 Sustainability Report in June 2026. 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 2025 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 following its release by the Canadian Sustainability Standards Board in December 2024.

The Company also released its annual report on Forced and Child Labour in Supply Chains in May 2026. This annual report has been prepared in accordance with the requirements of Section 11 of the Canadian Fighting Against Forced Labour and Child Labour in Supply Chains Act (the "**Act**") and discloses information for the reporting year ended December 31, 2025. 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, 2026 as compared to June 30, 2025

In YTD Q2 2026, the Company generated net earnings of $201.2 million (2025 - $109.4 million) and earnings before taxes of $294.8 million (2025 - $156.3 million). Significant items contributing to earnings, and changes compared to the prior year, are summarized below:

- **Revenue** of $441.5 million (2025 - $240.9 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 period.

- **Cost of sales** of $122.0 million (2025 - $66.5 million), including mining, processing, technical services, asset management, site administration, operational health and safety, share-based payments, depreciation, and net smelter royalties. The increase primarily reflects higher operating costs as activity ramped up across the operation to support the higher throughput levels of the Stage 3 Expansion, with ore mined increasing 61% to 382,357 tonnes (YTD Q2 2025: 237,116 tonnes) and ore processed increasing 57% to 367,982 tonnes (YTD Q2 2025: 233,786 tonnes). Higher depreciation and depletion of $25.4 million (YTD Q2 2025: $12.5 million) also contributed to the increase, reflecting the new Stage 3 Expansion Process Plant being placed into service effective January 1, 2026, while net smelter royalties of $10.6 million (YTD Q2 2025: $5.5 million) increased in line with higher revenue.

- **Earnings from mine operations** of $319.6 million (2025 - $174.5 million), which is calculated by subtracting cost of sales from revenue.

- **General and administrative** of $9.1 million (2025 - $6.8 million). The increase is primarily due to additional corporate hires and increased management fees and wages.

- **Exploration and evaluation expenditures** of $10.9 million (2025 - $8.0 million) related to drilling, assaying, trenching, surveying, and other exploration activities. The increase compared to the prior period is primarily due to higher drilling activity, with 14 drill rigs operating during the period and expanded near-mine and regional exploration programs at Arakompa and Wera.

- **Share-based payments** of $2.3 million (2025 - $3.0 million). The decrease 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 $3.1 million (2025 - $2.6 million). The increase is primarily due to higher average cash balances compared to the prior period.

- **Loss on derivative instruments** of $0.3 million (2025 - $3.4 million) on the Company's purchased gold put options. The loss comprises $2.9 million of realized losses, being the premiums on contracts that expired unexercised during the period with the gold price well above the $3,500 per ounce strike, partly offset by a $2.7 million unrealized gain on the fair value of the contracts outstanding at June 30, 2026. The lower loss compared to the prior year reflects the favourable fair value movement in the current period against an adverse movement in the prior year.

- **Income tax expense** of $93.6 million (2025 - $46.8 million). The increase was primarily due to higher earnings during the period, resulting in higher current income tax expense.

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, 2026		March 31, 2026		December 31, 2025		September 30, 2025
Total assets	$	1,136,004	$	1,048,539	$	957,817	$	861,712
Working capital		396,710		343,337		262,283		227,834
Shareholders' equity		975,563		888,008		767,555		688,692
Revenue		205,246		236,280		176,758		177,547
Net earnings		84,582		116,630		75,081		85,671
Net earnings per share, basic		0.34		0.48		0.31		0.35
Net earnings per share, diluted		0.34		0.47		0.30		0.35
		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

Total assets have increased in each of the past eight quarters, primarily reflecting investment in property, plant and equipment for the Stage 3 and Stage 4 Expansions, together with a growing cash balance funded by operating cash flow.

Revenue has grown substantially over the period, driven by higher gold sales volumes and significantly higher realized gold prices, with the increase in volumes in more recent quarters supported by the Stage 3 Expansion Process Plant reaching commercial production. Revenue is not uniform quarter to quarter, principally reflecting variability in commodity prices, head grade, the timing of concentrate shipments and mark-to-market adjustments on provisionally priced receivables, which can move revenue in a quarter independently of ounces sold.

Results of Operations for the three months ended June 30, 2026 as compared to June 30, 2025

During the three months ended June 30, 2026, the Company generated net earnings of $84.6 million (2025 - $39.2 million) and earnings before taxes of $126.6 million (2025 - $54.7 million). Significant items contributing to earnings, and changes compared to the prior year, are summarized below:

- **Revenue** of $205.2 million (2025 - $96.3 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 quarter.

- **Cost of sales** of $64.7 million (2025 - $32.4 million), including mining, processing, technical services, asset management, site administration, operational health and safety, share-based payments, depreciation, and net smelter royalties. The increase primarily reflects higher operating costs as activity ramped up across the operation to support the higher throughput levels of the Stage 3 Expansion, with ore mined increasing 72% to 228,254 tonnes (Q2 2025: 133,063 tonnes) and ore processed increasing 73% to 225,965 tonnes (Q2 2025: 130,337 tonnes). Higher depreciation and depletion of $14.2 million (Q2 2025: $6.1 million) also contributed to the increase, reflecting the new Stage 3 Expansion Process Plant being placed into service effective January 1, 2026, while net smelter royalties of $5.8 million (Q2 2025: $2.6 million) increased in line with higher revenue.

- **Earnings from mine operations** of $140.6 million (2025 - $64.0 million), which is calculated by subtracting cost of sales from revenue.

- **General and administrative** of $4.7 million (2025 - $3.1 million). The increase is primarily due to higher corporate hires and increased management fees and wages.

- **Exploration and evaluation expenditures** of $5.7 million (2025 - $4.0 million), related to drilling, assaying, trenching, surveying, and other exploration activities. The increase compared to the prior-year quarter is primarily due to higher drilling activity, with 14 drill rigs operating during the quarter and expanded near-mine and regional exploration programs at Arakompa and Wera.

- **Share-based payments** of $1.1 million (2025 - $1.4 million). The decrease 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 $1.7 million (2025 - $1.4 million). The increase is primarily due to a higher average cash balance compared to the prior period.

- **Loss on derivative instruments** of $0.2 million (2025 - $2.6 million), from realized and unrealized losses on commodity contracts and put options.

- **Income tax expense** of $42.0 million (2025 - $15.5 million). The increase was primarily due to higher earnings during the period, resulting in higher current income tax expense.

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 includes 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)

For the *(In thousands of United States Dollars, except as noted)*	Three months ended June 30, 2026	Three months ended June 30, 2025	Six months ended June 30, 2026	Six months ended June 30, 2025
Cost of Sales	$ 64,688	$ 32,355	$ 121,968	$ 66,492
Add: treatment and refining costs	2,302	1,887	4,294	4,182
Less: non-cash costs included into cost of sales	(630)	(94)	(1,266)	(188)
Less: depreciation	(14,236)	(6,124)	(25,408)	(12,656)
Less: by-product credits	(12,004)	(5,349)	(24,151)	(9,152)
Cash cost of sales	40,120	22,675	75,437	48,678
Add: accretion	144	125	290	252
Add: general and administrative costs	4,667	3,092	9,148	6,799
Add: sustaining capital expenditures[6]	19,465	14,983	44,215	32,118
Less: business development and non-sustaining costs	(165)	(245)	(1,007)	(519)
All-in sustaining costs	64,231	40,630	128,083	87,328
Gold ounces, sold	46,682	28,864	91,536	74,750
Cash cost per gold ounce, sold	$ 859	$ 786	$ 824	$651
All-in sustaining cost per gold ounce, sold	$ 1,376	$ 1,408	$ 1,399	$1,168

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

For the *(In thousands of United States Dollars, except as noted)*	Three months ended June 30, 2026	Three months ended June 30, 2025	Six months ended June 30, 2026	Six months ended June 30, 2025
Cost of Sales	$ 64,688	$ 32,355	$ 121,968	$ 66,492
Add: treatment and refining costs	2,302	1,887	4,294	4,182
Less: non-cash costs included into cost of sales	(630)	(94)	(1,266)	(188)
Less: depreciation	(14,236)	(6,124)	(25,408)	(12,656)
Cash cost of sales	52,124	28,024	99,588	57,830
Add: accretion	144	125	290	252
Add: general and administrative costs	4,667	3,092	9,148	6,799
Add: sustaining capital expenditures	19,465	14,983	44,215	32,118
Less: business development and non-sustaining costs	(165)	(245)	(1,007)	(519)
All-in sustaining costs	76,235	45,979	152,234	96,480
Gold equivalent ounces, sold	49,867	30,885	97,705	78,730
Cash cost per gold equivalent ounce, sold	$ 1,045	$ 907	$ 1,019	$ 735
All-in sustaining cost per gold equivalent ounce, sold	$ 1,529	$ 1,489	$ 1,558	$ 1,225

[6] Sustaining capital expenditures for the six months ended June 30, 2026 is the purchase of property, plant and equipment ("PPE") from the statement of cash flows of $93.6 million (2025 - $94.1 million), plus other sustaining expenditures of $0.9 million (2025 - $1.0 million), less net PPE amounts included in accounts payable related to expansion costs of $6.3 million (2025 – positive $0.2 million), plus net deposits for equipment $1.1 million (2025 - $2.0 million), less expansion costs of $45.1 million (2025 - $64.9 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, 2026	Three months ended June 30, 2025	Six months ended June 30, 2026	Six months ended June 30, 2025
Net earnings for the period	$ 84,582	$ 39,201	$ 201,212	$ 109,441
Add: Income taxes	42,019	15,523	93,607	46,828
Add: Depreciation of property, plant and equipment	14,306	6,124	25,547	12,656
Add: Interest and finance expense	1,531	253	3,367	524
Less: Interest income	(1,728)	(1,362)	(3,100)	(2,558)
EBITDA	$ 140,710	$ 59,739	$ 320,633	$ 166,891

Liquidity

As at June 30, 2026, the Company had cash and cash equivalents of $349.4 million (December 31, 2025 - $230.9 million) and working capital of $396.7 million (December 31, 2025 - $262.3 million). Working capital consisted of current assets of $487.3 million (December 31, 2025 - $377.4 million) less current liabilities of $90.6 million (December 31, 2025 - $115.1 million).[7]

Operating Activities: In YTD Q2 2026, the Company generated $231.0 million (2025 - $108.9 million) from operating activities.

Investing Activities: In YTD Q2 2026, the Company paid $93.6 million (2025 - $94.1 million) for property, plant, and equipment, $8.6 million (2025 - $1.7 million) for deposits, and received $Nil (2025 - $21.8 million) on the redemption of term deposits.

Financing Activities: In YTD Q2 2026, the Company received $3.2 million (2025 - $8.4 million) from the exercise of share options and $Nil (2025 - $20.0 million) in loan proceeds. The Company paid $0.8 million (2025 - $1.0 million) in lease principal payments, $Nil (2025 - $0.2 million) in loan transaction costs, and $10.0 million (2025 - $20.0 million) in loan principal payments.

The Company's financial position at June 30, 2026, 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, 2026		Six months ended June 30, 2025
Share-based compensation	$	1,880	$	2,195
Management, consulting and wages		2,116		2,331
Professional fees		107		36

Included in accounts payable and accrued liabilities is $0.2 million (December 31, 2025 - $0.8 million) due to key management personnel, of which $0.2 million (December 31, 2025 - $0.4 million) is payable to Mining, Processing and Project Consulting Pty Ltd., a company owned by the CEO. These amounts are non-interest bearing and payable on demand.

Outstanding Share Data

As at the date of this report, the Company had 245,711,318 common shares issued and outstanding.

No share options were outstanding at the date of this report.

As at the date of this report, the Company had 1,026,672 RSUs and 756,110 PSUs outstanding. Subsequent to June 30, 2026, 139,508 RSUs and 281,086 PSUs were converted into common shares.

Off-Balance Sheet Arrangements

As at June 30, 2026, 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 Policies, Estimates, Judgements and Assumptions

The material accounting policy judgements made by management in applying the Company's accounting policies and the key sources of estimation uncertainty are substantially the same as those applied in the consolidated financial statements for the year ended December 31, 2025, except for the recently adopted accounting standards described below.

Recently adopted accounting standards

The Company adopted amendments to IFRS 9 *Financial Instruments* and IFRS 7 *Financial Instruments: Disclosures* effective January 1, 2026. These amendments include clarifications to the derecognition requirements for financial liabilities settled through electronic payment systems, additional guidance on the classification of financial assets with contingent features, and additional disclosure requirements for financial instruments. The Company also adopted *Contracts Referencing Nature-dependent Electricity Amendments to IFRS 9 and IFRS 7* effective January 1, 2026. The adoption of these amendments did not have a material impact on the Company's condensed consolidated interim financial statements. For financial liabilities settled in cash using an electronic payment system, the Company applied the election to deem these financial liabilities to be discharged before the settlement date.

Accounting standards issued but not yet effective

The Company is continuing to assess and quantify the impact of IFRS 18 *Presentation and Disclosure in Financial Statements* on its condensed consolidated interim financial statements. The standard is expected to result in changes to the presentation of the consolidated statements of operations, including the introduction of defined subtotals and the classification of income and expenses within operating, investing and financing categories. Based on the Company's current assessment, this may impact the presentation of certain line items within the statement of operations, including the classification of foreign exchange gains and losses, which are currently presented in a single line. The standard will also introduce enhanced disclosure requirements, including those related to management-defined performance measures, which may require additional reconciliations and disclosures in the notes to the financial statements. IFRS 18 is not expected to impact the recognition or measurement of items in the Company's financial statements but will affect the presentation and disclosure of financial performance. The Company will adopt IFRS 18 on its effective date of January 1, 2027 and apply the standard retrospectively, including restated comparative information. The Company has initiated its implementation assessment and is evaluating the impact on financial statement presentation, disclosures and internal reporting processes.

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, 2026		December 31, 2025	
	Level 1	Level 2	Level 1	Level 2
Trade receivables	$ -	$ 23,118	$ -	$ 61,081
Derivative assets	-	1,640	-	1,938
	$ -	$ 24,758	$ -	$ 63,019

The fair values of the Company's trade receivables and derivative assets 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, 2026.

As at June 30, 2026, and December 31, 2025, the carrying amounts of cash and cash equivalents, 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, 2026, a single Canadian chartered bank holds approximately 46% (2025 - 56%) of the total cash and cash equivalents, and a single major Australian bank holds approximately 48% (2025 - 34%). Substantially all of the Company's cash and cash equivalents exceed government insured limits. The Company continually assesses and manages its exposure to the 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, 2026, 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 June 30, 2026, 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 June 30, 2026 that have materially affected, or are likely to materially affect, the Company's internal controls over financial reporting or disclosure controls and procedures.

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

Technical Report

The 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 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.

Middle East Conflict Impacts and Cost Exposure

The current conflict in the Middle East presents some near-term cost and supply chain exposure for the Company, primarily through fuel price volatility, the inflation of petroleum-derived inputs, and broader inflationary pressures. As a high-grade, lower-throughput underground operation supplied by grid hydropower, the Kainantu Gold Mine has limited direct exposure to oil price volatility. The Company nonetheless consumes diesel for power generation, surface haul trucking, and underground mobile equipment, and is exposed to higher prices for petroleum-derived consumables. It also imports a significant portion of its consumables, equipment, and spare parts by international freight, which carries exposure to higher fuel costs and potential routing disruptions through key shipping lanes.

The Company continues to monitor fuel supply availability, consumption levels, and inventory positions closely, and currently does not see significant risk of a fuel supply disruption to its Papua New Guinea operations. It maintains on-site diesel inventory in Papua New Guinea, with additional inventory held in storage in Lae and medium-term supply secured through a wholly owned subsidiary of the Company's long-term offtake partner. Site inventory levels were maintained throughout the quarter, with no overall drawdown. The Company is also monitoring aviation fuel availability, given its importance for personnel movements, and has mitigation strategies in place.

Notwithstanding the foregoing, a prolonged escalation of the conflict or a sustained oil supply disruption could materially tighten supply chains, increase volatility in global energy markets, and adversely affect the Company's operating costs, results of operations, and financial condition.

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.