These materials are important and require your immediate attention. They require shareholders of Discovery Silver Corp. to make important decisions. If you are in doubt as to how to make such decisions, please contact your financial, legal or other professional advisor.

Discoverysilver

NOTICE OF MEETING

and

MANAGEMENT INFORMATION CIRCULAR

for the

SPECIAL MEETING

OF SHAREHOLDERS OF DISCOVERY SILVER CORP.

to be held on

MARCH 27, 2025

DATED AS OF FEBRUARY 24, 2025

The Board of Directors of Discovery Silver Corp.
UNANIMOUSLY recommends that shareholders vote FOR the Share Issuance Resolution.

If you have any questions with respect to the Special Meeting or require assistance with voting, please contact Discovery Silver's proxy solicitation agent and shareholder communications advisor:

Laurel Hill Advisory Group
North American Toll-Free Number: 1-877-452-7184
Outside North America: 1-416-304-0211
E-mail: assistance@laurelhill.com.

Letter to Shareholders

February 24, 2025

Dear Fellow Shareholders:

The Board of Directors (the "**Board**") of Discovery Silver Corp. (the "**Company**" or "**Discovery**") invites you to attend the special meeting (the "**Meeting**") of the holders (the "**Shareholders**") of common shares (the "**Common Shares**") to be held at the offices of Bennett Jones LLP located at One First Canadian Place, 100 King Street West, Suite 3400, Toronto, Ontario, M5X 1A4 on Thursday, March 27, 2025 at 11:00 a.m. (Toronto time).

Following a thorough and rigorous process and after careful consideration, Discovery entered into a share purchase agreement dated January 27, 2025 (the "**Acquisition Agreement**") with Goldcorp Canada Ltd. ("**GCL**"), a wholly owned subsidiary of Newmont Corporation, to acquire (the "**Acquisition**") all of the issued and outstanding common shares of a newly created wholly-owned subsidiary of GCL, Dome Mine Ltd. ("**NewCo**"), formed to hold all of GCL's rights, title and interest in and to the Hollinger mine, the Hoyle Pond mine, the Borden mine, the Pamour open pit and the Dome mill (collectively, the "**Porcupine Complex**") for total consideration of US$425 million (the "**Purchase Price**"). The Purchase Price consists of US$200 million payable in cash and US$75 million payable through the issuance of an aggregate of 119,716,667 Common Shares (the "**Consideration Shares**"), both of which are payable on closing of the Acquisition (the "**Acquisition Closing**") and are subject to customary closing adjustments, and US$150 million of deferred consideration to be paid in four annual cash payments of US$37.5 million commencing on December 31, 2027. The Consideration Shares are subject to a one-year contractual lock-up.

In addition, each outstanding restricted stock unit of Newmont held by an employee of Newmont or a subsidiary of Newmont that is employed at the Porcupine Complex and is being offered employment by Discovery shall be exchanged for restricted share units granted by Discovery having a value equal to such Newmont restricted stock units immediately prior to the Acquisition Closing.

Pursuant to the policies of the Toronto Stock Exchange ("**TSX**"), because the issuance of the share consideration in connection with the Acquisition will exceed 25% of the outstanding Common Shares on a pre-Acquisition, non-diluted basis (the "**Dilution Threshold**"), Shareholders will be asked at the Meeting to consider and, if deemed advisable, to pass, with or without variation, an ordinary resolution (the "**Share Issuance Resolution**") approving the issuance of up to 123,616,667 Common Shares in connection with the Acquisition (the "**Acquisition Securities**"), representing approximately 30.9% of the issued and outstanding Common Shares prior to the announcement of the Acquisition, consisting of: (i) up to 119,716,667 Consideration Shares; and (ii) 3,900,000 Common Shares issuable upon the exercise of warrants to be issued by the Company to Franco-Nevada Corporation ("**Franco-Nevada**") as part of the financing package arranged for the Acquisition, as described below.

In the event that the Share Issuance Resolution is not passed at the Meeting, the number of Consideration Shares to be issued to GCL on the Acquisition Closing shall be reduced to 94,512,921 Consideration Shares (thus resulting in 98,412,921 total Acquisition Securities), and the first deferred cash payment payable to GCL on December 31, 2027 shall be increased from US$37.5 million to US$53,289,622 in which case, pursuant to the requirements of the TSX, the issuance of such lesser number of Acquisition Securities will not be subject to approval by the Company's shareholders because such issuance will not exceed the Dilution Threshold. Accordingly, the receipt of Shareholder approval is not a condition to closing the Acquisition. Rather, the outcome of the Shareholder vote in relation to the Share Issuance Resolution will determine the final composition – not the amount – of the Purchase Price paid to GCL for the Acquisition.

The Acquisition

Full details of the Acquisition are set out in the accompanying Notice of Special Meeting of Shareholders and Management Information Circular of the Company (the "**Circular**"). The Circular describes the Acquisition and includes certain additional information to assist you in considering how to vote on the proposed Share Issuance Resolution, including certain risk factors relating to the completion of the Acquisition. You should carefully review and consider all of the information in the Circular. We recommend that Shareholders consult their financial, legal, tax or other professional advisor.

The Acquisition comprises the following principal elements:

(a) Pursuant to the Acquisition Agreement, Discovery will acquire all of the issued and outstanding common shares of NewCo, a newly created wholly owned subsidiary of GCL, formed to hold all of GCL's rights, title and interest in and to the Porcupine Complex, from GCL.

(b) The Purchase Price consists of US$200 million payable in cash and US$75 million payable through the issuance of an aggregate of 119,716,667 Consideration Shares, both of which are payable on the Acquisition Closing and are subject to customary closing adjustments, and US$150 million of deferred consideration to be paid in four annual cash payments of US$37.5 million commencing on December 31, 2027. The Consideration Shares are subject to a one-year contractual lock-up.

(c) The Acquisition is subject to deal protections, including non-solicitation covenants given by the Company in favour of GCL, and the Acquisition Agreement contains certain other customary representations, warranties and covenants.

(d) At the Acquisition Closing, Discovery will enter into a transition services agreement with GCL (the "**Transition Services Agreement**"). The Transition Services Agreement requires GCL to provide, or cause its affiliates to provide, certain services to Discovery that are required for the operation of the Porcupine Complex in a similar manner as the Porcupine Complex was operated immediately prior to the Acquisition Closing. In exchange for the services to be provided under the Transition Services Agreement, Discovery has agreed to pay GCL certain prescribed service fees in accordance with the terms of the Transition Services Agreement and reimburse GCL for certain prescribed expenses.

(e) At the Acquisition Closing, Discovery will enter into an investor rights agreement with GCL (the "**Investor Rights Agreement**"). Under the Investor Rights Agreement, for so long as GCL owns at least 10% of the Common Shares, GCL shall have the right, but not the obligation, to designate either one nominee to serve as a director of the Company or appoint one individual as a non-voting observer to the Board. The Investor Rights Agreement also contains certain pre-emptive and top-up rights in favour of GCL, provided GCL owns at least 10% of the Common Shares. Pursuant to the Investor Rights Agreement, the parties have also made certain covenants, including certain covenants from GCL relating to standstill restrictions and voting support and covenants regarding certain restrictions and conditions on the disposition of Common Shares.

(f) All of Discovery's officers and directors and certain other shareholders of Discovery have entered into support and voting agreements with GCL and Discovery (the "**Support and Voting Agreements**"), pursuant to which they have agreed to vote, or cause to be voted, all of the Common Shares held or controlled by them in favour of the Share Issuance Resolution (representing approximately 35% of the issued and outstanding Common Shares as of February 14, 2025, being the record date for the Meeting).

(g) The key executive management team of Discovery will remain in place following the closing of the Acquisition.

For the purposes of financing the Acquisition, as well as to fund capital expenditures and support working capital needs following completion of the Acquisition, Discovery has entered into an implementation agreement dated January 27, 2025 (the "**Implementation Agreement**") with Franco-Nevada pursuant to which Franco-Nevada has agreed to, or to cause certain of its affiliates to: (i) enter into a net smelter return royalty agreement on the Acquisition Closing; and (ii) enter into a term loan agreement (the "**Term Loan Agreement**") on the Acquisition Closing, each as further described in the Circular. Pursuant to the Implementation Agreement and the Term Loan Agreement, the Company will issue to Franco-Nevada on the date on which the Term Loan Agreement is executed, 3,900,000 common share purchase warrants (the "**Franco Warrants**"). Each Franco Warrant will be exercisable into one Common Share at a price of C$0.95 for a period of three years following the date of issuance; provided, however, that in the event that the number of Common Shares to be acquired upon any exercise of the Franco Warrants would otherwise result in Franco-Nevada directly or indirectly having beneficial ownership of, or control or direction over, more than 9.9% of the issued and outstanding Common Shares, Franco-Nevada will receive cash exercise proceeds, calculated in accordance with the terms of the certificate representing the Franco Warrants, in lieu of Common Shares. The exercise price of the Franco Warrants is equal to the market price (within the meaning of the TSX Company Manual) of the Common Shares at the time of the announcement of the Acquisition.

Acquisition Conditions and Timing

The Acquisition Closing is subject to certain conditions, including, among other things, the transfer of the Porcupine Complex by GCL to NewCo (which will be subject to certain approvals, including the consent of Ontario's Ministry of Mines) pursuant to an asset purchase agreement to be entered into between GCL and NewCo, receipt of all required regulatory approvals (including the approval of the TSX and approval, or expiry of the waiting period, under the *Competition Act* (Canada)), and other customary closing conditions for a transaction of this nature.

Pursuant to the requirements of the TSX, Discovery is required to obtain Shareholder approval for the issuance of the Acquisition Securities because the number of Acquisition Securities issuable under the Acquisition exceeds the Dilution Threshold.

In the event that the Share Issuance Resolution is not passed at the Meeting, the number of Consideration Shares to be issued to GCL on the Acquisition Closing shall be reduced to 94,512,921 Consideration Shares, a level at which, pursuant to the requirements of the TSX, the issuances of the Acquisition Securities will not be subject to approval by Shareholders because such issuances will not exceed the Dilution Threshold. Accordingly, the receipt of Shareholder approval for the Share Issuance Resolution is not a condition to closing the Acquisition.

Provided all conditions precedent in the Acquisition Agreement are satisfied or waived in a timely manner, it is currently anticipated that the Acquisition will close in the first half of 2025. **It is the intention of the persons named in the form of proxy, if not expressly directed otherwise in such form of proxy, to vote such proxies FOR the Share Issuance Resolution.**

Recommendation of the Special Committee and the Board

In connection with the Acquisition, the Board formed a special committee of independent directors (the "**Special Committee**") to consider the Acquisition and report its findings and conclusions to the Board.

The Special Committee, after consultation with its legal and financial advisors, and after taking into consideration the opinion of CIBC World Markets Inc. to the effect that, and subject to the assumptions, qualifications and limitations contained therein, the consideration to be paid by Discovery pursuant to the Acquisition Agreement is fair, from a financial point of view, to the Company, unanimously recommended that the Board approve the Acquisition and the entry into the Acquisition Agreement. In making its recommendation, the Special Committee evaluated the terms of the proposed Acquisition and the Company's current business and financial position, including future plans and prospects, having regard to the potential effects of the proposed Acquisition on the Company's business.

After careful consideration of such matters as it considered relevant, including, among other things, the terms and conditions of the Acquisition Agreement, the unanimous recommendation of the Special Committee, the benefits and risks associated with the Acquisition, other strategic alternatives and options available to the Company, the effect of the Acquisition on other stakeholders of the Company and its evaluation of the Acquisition with management and its legal and financial advisors, the Board has unanimously determined that the issuance of the Acquisition Securities in connection with the Acquisition is fair to the Company and that the Acquisition and entry into the Acquisition Agreement are in the best interests of the Company. **Accordingly, the Board is UNANIMOUSLY recommending that Shareholders vote FOR the Share Issuance Resolution.**

For a description of the factors and reasons considered and relied upon by the Special Committee and the Board in coming to their respective conclusions, see *"Matters to be Considered at the Meeting – Reasons for the Recommendations of the Special Committee and the Board"*.

YOUR VOTE IS IMPORTANT REGARDLESS OF THE NUMBER OF COMMON SHARES YOU OWN.

The close of business on February 14, 2025 is the record date for the determination of Shareholders that will be entitled to receive notice of and vote at the Meeting and at any adjournment or postponement of the Meeting.

Registered Shareholders are requested to read the enclosed Circular and are requested to date and sign the enclosed proxy form(s) promptly and return them in the self-addressed envelope enclosed for that purpose or by any of the other methods indicated in the proxy form. Registered Shareholders may vote by mail. Proxies to be used at the Meeting must be received by the Company's transfer agent and registrar, TSX Trust Company ("**TSX Trust**"), not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time for holding the Meeting or, with respect to any matters to be dealt with at any adjournment of the Meeting, before the time of the re-commencement of the adjourned Meeting. Proxies delivered after such time(s) will not be accepted. A proxy can be submitted to TSX Trust by mail to Proxy Department, TSX Trust Company, P.O. Box 721, Agincourt, Ontario M1S 0A1. If a registered Shareholder receives more than one proxy form because such Shareholder's Common Shares are registered in different names or addresses, each proxy form needs to be completed and returned.

If your Common Shares are not registered in your name but are held through a broker, investment dealer, bank, trust company, custodian, nominee or other intermediary, please complete and return the request for voting instructions in accordance with the instructions provided to you by your broker or such other intermediary. Failure to do so may result in such Common Shares not being voted at the Meeting.

If you have any questions or need additional information, you should consult your financial, legal, tax or other professional advisor. If you have any questions or need assistance in your consideration of the Share Issuance Resolution or with the completion and delivery of your proxy, please contact the Company's proxy solicitation agent and shareholder communications advisor, Laurel Hill Advisory Group, by telephone at 1-877-452-7184 (toll-free in North America) or 416-304-0211 (calls outside North America), or by email at assistance@laurelhill.com.

Discovery's primary goal is to generate value for Shareholders, and all stakeholder groups. Through the Acquisition, we will establish our company as a new North American precious metals producer with substantial potential for value creation through improved operating performance, the development of new producing assets and the rapid evaluation of our many exploration opportunities. As we move forward, we will maintain our overriding commitment to responsible mining and to supporting the communities in which we operate. The Acquisition diversifies our business portfolio, combining high-quality gold production in Northern Ontario, Canada with our Cordero silver project in Mexico, one of the world's largest silver development projects based on reserves and expected annual production. The expanded asset portfolio will reduce risk, provide our shareholders with significant leverage to gold and silver prices and exposure to Canada's most prolific gold mining camp. We will emerge from the Acquisition with improved balance sheet strength that will support growth at our Timmins mines and the financing and development of Cordero. Progress in both areas will be key drivers of success as we work to achieve a higher valuation for our Company.

On behalf of the Company, we are privileged to serve our Shareholders, thank you for your continued support, and look forward to receiving your endorsement for the Share Issuance Resolution at the Meeting.

Sincerely,

(Signed) *"Murray John"*

Murray John
Chair of the Board

DISCOVERY SILVER CORP.

NOTICE OF SPECIAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that a special meeting (the "**Meeting**") of the shareholders (the "**Shareholders**") of Discovery Silver Corp. (the "**Company**") will be held at the offices of Bennett Jones LLP located at One First Canadian Place, 100 King Street West, Suite 3400, Toronto, Ontario, Canada, M5X 1A4 on March 27, 2025, 2025 at 11:00 a.m. (Toronto time) for the following purposes:

1. to consider and, if deemed advisable, to pass, with or without variation, an ordinary resolution (the "**Share Issuance Resolution**"), the full text of which is disclosed in the accompanying management information circular of the Company dated as of February 24, 2025 (the "**Circular**") approving the issuance of up to 123,616,667 common shares in the capital of the Company in connection with the acquisition by the Company of 100% of the issued and outstanding common shares of a newly created entity, Dome Mine Ltd., from Goldcorp Canada Ltd. ("**GCL**") in accordance with the terms of the share purchase agreement dated January 27, 2025 between the Company and GCL (the "**Acquisition Agreement**"), and as more particularly described in the Circular; and

2. to transact such further or other business as may properly come before the Meeting or any adjournment(s) or postponement(s) thereof.

Accompanying this notice is the Circular and a form of proxy (the "**Form of Proxy**") or a form of voting instruction form. The Circular provides further information relating to the matters to be addressed at the Meeting. In order to become effective, the Share Issuance Resolution must be approved by a majority of the votes cast by the Company's shareholders present in person or by proxy at the Meeting or at any adjournment(s) or postponement(s) thereof. A copy of the Acquisition Agreement is available for review under the Company's issuer profile on SEDAR+ at www.sedarplus.ca.

The record date for the determination of Shareholders entitled to receive notice of and to vote at the Meeting or any adjournment(s) or postponement(s) thereof has been fixed by the directors of the Company as the close of business on February 14, 2025 (the "**Record Date**"). Only Shareholders whose names have been entered in the register of Shareholders at the close of business on the Record Date will be entitled to receive notice of and to vote at the Meeting or any adjournment(s) or postponement(s) thereof.

Shareholders are entitled to vote at the Meeting either in person or by proxy. Registered Shareholders who are unable to attend the Meeting are requested to read, complete, sign and mail the enclosed Form of Proxy in accordance with the instructions set out in the Form of Proxy and in the Circular accompanying this notice.

If you have any questions or need assistance in your consideration of the Share Issuance Resolution or with the completion and delivery of your proxy, please contact the Company's proxy solicitation agent and shareholder communications advisor, Laurel Hill Advisory Group, by telephone at 1-877-452-7184 (toll-free in North America) or 416-304-0211 (calls outside North America), or by email at assistance@laurelhill.com.

DATED at Toronto, Ontario, this 24th day of February, 2025.

BY ORDER OF THE BOARD OF DIRECTORS

(Signed) "*Murray John*"

Murray John
Chair of the Board

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GLOSSARY OF TERMS

In this Circular, the following capitalized words and terms shall have the following meanings:

"**Acquisition**" means the proposed acquisition by the Company of the Purchased Shares from GCL pursuant to the terms of the Acquisition Agreement.

"**Acquisition Agreement**" means the share purchase agreement dated January 27, 2025, between Discovery and GCL.

"**Acquisition Closing**" means the day on which the Acquisition closes.

"**Acquisition Securities**" has the meaning ascribed in this Circular under the heading *"Matters to be Considered at the Meeting – Required Shareholder Approval"*.

"**Asset Purchase Agreement**" has the meaning ascribed in this Circular under the heading *"Matters to be Considered at the Meeting – Stock Exchange and Regulatory Approval"*.

"**Authorizations**" has the meaning ascribed in this Circular under the heading *"Risk Factors – Risk Factors Related to the Acquisition – Potential Dispute with First Nations Community Could Have Adverse Consequences Following the Acquisition Closing"*.

"**BCBCA**" means the *Business Corporations Act* (British Columbia).

"**Beneficial Shareholders**" has the meaning ascribed in this Circular under the heading *"General Proxy Information – Beneficial Shareholders"*.

"**BMO**" has the meaning ascribed in this Circular under the heading "*Matters to be Considered at the Meeting – Background to the Acquisition*".

"**Board**" has the meaning ascribed in this Circular under the heading *"Management Information Circular"*.

"**Broadridge**" has the meaning ascribed in this Circular under the heading *"General Proxy Information – Beneficial Shareholders"*.

"**CIBC**" means CIBC World Markets Inc.

"**Circular**" means this management information circular, including the Notice of Meeting and all schedules hereto and all documents incorporated by reference herein and all amendments and/or supplements hereof.

"**Combined Company**" means the Company following the closing of the Acquisition.

"**Common Shares**" means common shares in the capital of the Company.

"**Company**" or "**Discovery**" means Discovery Gold Corp., a company existing under the laws of the Province of British Columbia.

"**Company AIF**" means the Company's annual information form for the year ended December 31, 2023.

"**Company Annual Financial Statements**" means the audited consolidated financial statements of the Company as at, and for the years ended, December 31, 2023 and December 31, 2022, including the notes thereto and the auditor's report thereon.

"**Company Annual MD&A**" means the Company's annual management's discussion and analysis for the years ended December 31, 2023 and 2022.

"**Consideration Shares**" means the Common Shares issuable to GCL as partial consideration for the Purchase Price, and which are subject to a one-year contractual lock-up.

"**Cordero Project**" means the Company's 100%-owned Cordero silver project located in Chihuahua State, Mexico.

"**Cordero Technical Report**" means the technical report entitled "Cordero Silver Project: NI 43-101 Technical Report & Feasibility Study (Chihuahua State, Mexico)" dated March 28, 2024 with an effective date of February 16, 2024.

"**Credit Facility**" has the meaning ascribed in this Circular under the heading *"Matters to be Considered at the Meeting – Financing the Acquisition – The Franco-Nevada Financing Package"*.

"**Dilution Threshold**" has the meaning ascribed in this Circular under the heading *"Matters to be Considered at the Meeting – Required Shareholder Approval"*.

"**Discovery Pro Forma Financial Statements**" means the unaudited *pro forma* consolidated financial statements of the Combined Company attached as Appendix "A" to Schedule "C" to this Circular, comprised of the *pro forma* consolidated statement of financial position of Discovery as at September 30, 2024 and the *pro forma* consolidated statement of profit (loss) and total comprehensive income (loss) of Discovery for the year ended December 31, 2023 and the nine months ended September 30, 2024, together with the notes thereto, giving effect to the Acquisition and the Financings.

"**Discovery Replacement RSUs**" has the meaning ascribed in this Circular under the heading *"Matters to be Considered at the Meeting – Discovery Replacement RSUs"*.

"**Discovery RSU Plan**" means the restricted share unit plan of the Company last approved by Shareholders at the annual meeting of Shareholders held on May 15, 2024.

"**Experts**" has the meaning ascribed in this Circular in Schedule "A" under the heading *"Information Concerning the Company – Interests of Experts"*.

"**Fairness Opinion**" means the opinion of CIBC to the effect that, as of the date of such opinion, and based upon and subject to the assumptions, limitations and qualifications stated in such opinion the consideration to be paid by Discovery pursuant to the Acquisition Agreement is fair, from a financial point of view, to the Company.

"**Financings**" has the meaning ascribed in this Circular under the heading "*Matters to be Considered at the Meeting – Covenants of the Parties – Acquisition Financing*".

"**Fixed Royalty**" has the meaning ascribed in this Circular under the heading *"Matters to be Considered at the Meeting – Financing the Acquisition – The Franco-Nevada Financing Package"*.

"**Franco-Nevada**" means Franco-Nevada Corporation.

"**Franco-Nevada Financing Package**" has the meaning ascribed in this Circular under the heading *"Matters to be Considered at the Meeting – Financing the Acquisition – The Franco-Nevada Financing Package"*.

"**Franco-Nevada Royalty Package**" has the meaning ascribed in this Circular under the heading *"Matters to be Considered at the Meeting – Financing the Acquisition – The Franco-Nevada Financing Package"*.

"**Franco Warrants**" has the meaning ascribed in this Circular under the heading *"Matters to be Considered at the Meeting – Financing the Acquisition – The Franco-Nevada Financing Package"*.

"**GCL**" means Goldcorp Canada Ltd.

"**IFRS**" means International Financial Reporting Standards as issued by the International Accounting Standards Board.

"**Implementation Agreement**" has the meaning ascribed in this Circular under the heading *"Matters to be Considered at the Meeting – Financing the Acquisition – The Franco-Nevada Financing Package"*.

"**Intermediaries**" has the meaning ascribed in this Circular under the heading *"General Proxy Information – Beneficial Shareholders"*.

"**Investor Rights Agreement**" has the meaning ascribed in this Circular under the heading *"Matters to be Considered at the Meeting –Background to the Acquisition"*.

"**Locked-Up Shareholders**" means all of the directors and officers of the Company and certain other Shareholders.

"**Meeting**" has the meaning ascribed in this Circular under the heading *"Management Information Circular"*.

"**Meeting Chair**" has the meaning ascribed in this Circular under the heading *"General Proxy Information – Solicitation of Proxies"*.

"**MI 61-101**" means Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions*.

"**Ministry of Mines**" has the meaning ascribed in this Circular under the heading *"Risk Factors – Risk Factors Related to the Acquisition – Potential Dispute with First Nations Community Could Have Adverse Consequences Following the Acquisition Closing"*.

"**Ministry of the Environment**" has the meaning ascribed in this Circular under the heading *"Risk Factors – Risk Factors Related to the Acquisition – Potential Dispute with First Nations Community Could Have Adverse Consequences Following the Acquisition Closing"*.

"**NewCo**" means Dome Mine Ltd., a newly created entity formed to hold all of GCL's rights, title, and interest in and to the Porcupine Complex.

"**Newmont**" means Newmont Corporation.

"**NGOs**" has the meaning ascribed in this Circular in Schedule "B" under the heading "*Information Concerning NewCo – Risk Factors – Relationships with Local Communities and Other Stakeholders"*.

"**NI 43-101**" means National Instrument 43-101 – *Standards of Disclosure for Mineral Projects.*

"**NI 54-101**" means National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer.*

"**NOBOs**" has the meaning ascribed in this Circular under the heading *"General Proxy Information – Beneficial Shareholders"*.

"**NPV**" has the meaning ascribed in this Circular under the heading "*"Matters to be Considered at the Meeting – Reasons for the Recommendations of the Special Committee and the Board"*.

"**OBOs**" has the meaning ascribed in this Circular under the heading *"General Proxy Information – Beneficial Shareholders"*.

"**Offering**" has the meaning ascribed in this Circular under the heading *"Matters to be Considered at the Meeting – Financing the Acquisition – The Offering"*.

"**Porcupine Complex**" means the Hollinger mine, the Hoyle Pond mine, the Borden mine, the Pamour open pit and the Dome mill.

"**Porcupine Employees**" has the meaning ascribed in this Circular under the heading *"Matters to be Considered at the Meeting – Covenants of the Parties – Company Employees, Benefits Plans and Pension Plans"*.

"**Porcupine Technical Report**" means the technical report entitled "Porcupine Complex, Ontario, Canada, Technical Report on Preliminary Economic Assessment" dated January 28, 2025, with an effective date of January 13, 2025.

"**Prohibited Matters**" has the meaning ascribed in this Circular under the heading *"Support and Voting Agreements"*.

"**Prospectus Supplement**" has the meaning ascribed in this Circular under the heading *"Matters to be Considered at the Meeting – Financing the Acquisition – The Offering"*.

"**Proxyholder**" has the meaning ascribed in this Circular under the heading *"General Proxy Information – Voting"*.

"**Purchase Price**" means the total consideration of US$425 million, consisting of US$200 million payable in cash and US$75 million payable through the issuance of an aggregate of 119,716,667 Consideration Shares, both of which are payable on the Acquisition Closing and are subject to customary closing adjustments, and US$150 million of deferred consideration to be paid in four annual cash payments of US$37.5 million commencing on December 31, 2027; provided that if the Share Issuance Resolution is not approved at the Meeting, the number of Consideration Shares to be issued to GCL on the Acquisition Closing shall be reduced to 94,512,921 Consideration Shares, and the first deferred cash payment payable to GCL on December 31, 2027 shall be increased from US$37.5 million to US$53,289,622.

"**Purchased Shares**" means, collectively, all of the issued and outstanding shares in the capital of NewCo.

"**Record Date**" has the meaning ascribed in this Circular under the heading *"Management Information Circular"*.

"**Registered Shareholder**" has the meaning ascribed in this Circular under the heading *"General Proxy Information – Registered Shareholders"*.

"**Release Conditions**" has the meaning ascribed in this Circular under the heading *"Matters to be Considered at the Meeting – Financing the Acquisition – The Offering"*.

"**Reorganization**" means the transfer by GCL of all of its rights, title and interest in and to the Porcupine Complex to NewCo pursuant to the Asset Purchase Agreement.

"**Repayable Royalty**" has the meaning ascribed in this Circular under the heading *"Matters to be Considered at the Meeting –Financing the Acquisition – The Franco-Nevada Financing Package"*.

"**Sales Process**" has the meaning ascribed in this Circular under the heading *"Matters to be Considered at the Meeting – Background to the Acquisition".*

"**Share Issuance Resolution**" means the ordinary resolution to be proposed to the Shareholders at the Meeting approving the issuance of the Acquisition Securities in connection with the Acquisition, the full text of which is disclosed under the heading *"Matters to be Considered at the Meeting – Required Shareholder Approval"*.

"**Shareholders**" means, collectively, the holders of Common Shares.

"**Special Committee**" has the meaning ascribed in this Circular under the heading *"Matters to be Considered at the Meeting – Background to the Acquisition"*.

"**Support and Voting Agreements**" has the meaning ascribed in this Circular under the heading *"Matters to be Considered at the Meeting – Reasons for the Recommendations of the Special Committee and the Board"*.

"**Term Loan Agreement**" has the meaning ascribed in this Circular under the heading *"Matters to be Considered at the Meeting – Financing the Acquisition – The Franco-Nevada Financing Package"*.

"**TTN**" has the meaning ascribed in this Circular under the *heading "Risk Factors – Risk Factors Related to the Acquisition – Potential Dispute with First Nations Community Could Have Adverse Consequences Following the Acquisition Closing"*.

"**TTN Litigation**" has the meaning ascribed in this Circular under the heading *"Risk Factors – Risk Factors Related to the Acquisition – Potential Dispute with First Nations Community Could Have Adverse Consequences Following the Acquisition Closing"*.

"**Transfer**" has the meaning ascribed in this Circular under the heading *"Support and Voting Agreements"*.

"**Transition Services Agreement**" has the meaning ascribed in this Circular under the heading "*Matters to be Considered at the Meeting – Background to the Acquisition*".

"**TSX**" means the Toronto Stock Exchange.

"**TSX Trust**" or "**Transfer Agent**" has the meaning ascribed in this Circular under the heading *"General Proxy Information – Solicitation of Proxies"*.

"**Vendor**" has the meaning ascribed in this Circular under the heading *"Matters to be Considered at the Meeting – General Description of the Acquisition Agreement"*.

"**VIF**" has the meaning ascribed in this Circular under the heading *"General Proxy Information – Beneficial Shareholders"*.

MANAGEMENT INFORMATION CIRCULAR

You have received this Circular because you owned Common Shares of Discovery as at February 14, 2025. If you are a Registered Shareholder, you are therefore entitled to attend and vote at the special meeting of Shareholders (the "Meeting") to be held on March 27, 2025, and any adjournment or postponement thereof.

The board of directors of the Company (the "**Board**") has fixed the close of business on February 14, 2025, as the record date for the Meeting, being the date for the determination of the Shareholders entitled to receive notice of, and to vote at, the Meeting and any adjournment or postponement thereof (the "**Record Date**").

Except as otherwise stated, all capitalized terms used in this Circular but not otherwise defined herein have the meanings set forth under the heading "*Glossary of Terms*".

All references to "dollars", "US$" or "$" are to United States dollars (USD) and all references to "C$" are to Canadian dollars. All references to the Company include its subsidiaries as the context may require.

The following table sets forth, for each of the periods indicated, the high, low and average daily exchange rates and the rate at the end of the period for US$1.00 in terms of Canadian dollars, as reported by the Bank of Canada.

	Year ended December 31,		
	2022	**2023**	**2024**
Rate at the end of the period	C$1.3544	C$1.3226	C$1.4389
Average rate during the period	C$1.3011	C$1.3497	C$1.3698
Highest rate during the period	C$1.3856	C$1.3875	C$1.4416
Lowest rate during the period	C$1.2451	C$1.3128	C$1.3316

On February 21, 2025, the Bank of Canada's daily exchange rate for the purchase of US$1.00 using Canadian dollars was C$1.4207 (C$1.00 =US$0.7039).

NON-IFRS MEASURES

This Circular contains references to certain non-IFRS financial measures and ratios and industry measures. In the mining industry, these are common performance measures but may not be comparable to similar measures presented by other issuers, and the non-IFRS measures do not have any standardized meaning. Accordingly, it is intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS.

The Company calculated total cash costs per ounce by dividing the sum of operating costs, royalty costs, production taxes, refining and shipping costs, net of by-product metal credits, by payable ounces. While there is no standardized meaning of the measure across the industry, the Company believes that this measure is useful to external users in assessing operating performance.

The Company has provided an all-in sustaining costs performance measure that reflects all the expenditures that are required to produce an ounce of metal from operations. While there is no standardized meaning of the measure across the industry, the Company's definition conforms to the all-in sustaining cost definition as set out by the World Gold Council. The Company believes that this measure is useful to external users in assessing operating performance and the Company's ability to generate free cash flow from operations.

Free cash flow is a non-IFRS performance measure that is calculated as cash flows from operations net of cash flows invested in mineral property, plant, and equipment and exploration and evaluation assets. The Company believes that this measure is useful to the external users in assessing the Company's ability to generate cash flows from its mineral properties.

FORWARD LOOKING STATEMENTS

Certain information contained in this Circular, including in documents incorporated by reference in it, constitutes forward-looking information or forward-looking statements within the meaning of applicable securities laws. Such information or statements may relate to future events, facts or circumstances or the Company's or the Combined Company's future financial or operating performance or other future events or circumstances. All information other than historical fact is forward-looking in nature and involves known and unknown risks, uncertainties and other factors which may cause the actual results or performance to be materially different from any future results, performance, events or circumstances expressed or implied by such forward-looking statements or information. Such statements can be, but are not always, identified by the use of words such as "anticipate", "plan", "continue", "estimate", "expect", "forecast", "likely", "intend", "may", "will", "would", "project", "should", "believe" and "potential". No assurance can be given that this information will ultimately prove to be accurate or correct and such forward-looking information included in this Circular should not be unduly relied upon. Unless indicated otherwise, forward-looking information and statements speak only as of the date of this Circular.

Forward-looking statements in this Circular include, but are not limited to, statements with respect to: the consummation and timing of the Acquisition; approval of the Share Issuance Resolution by Shareholders; the satisfaction of the conditions precedent to the Acquisition; the strengths, characteristics and potential of the Combined Company post-Acquisition, including the impact of the Acquisition on Discovery's operations, financial condition, cash flows and overall strategy; corporate governance of the Combined Company; the anticipated timing and closing of the Franco-Nevada Royalty Package as well as the anticipated use of proceeds therefrom and the impact thereof on Discovery's financial condition; the Porcupine Complex, including the assumptions and qualifications contained in the Porcupine Technical Report; timing, receipt and anticipated effects of stock exchange, regulatory and other consents and approvals; the effect of the Acquisition on employees and local stakeholders; anticipated future production; future gold demand and the price of gold; the discussion of future plans and growth potential; projects, objectives, estimates and forecasts and the timing related thereto; the estimation of mineral resources and reserves; the realization of mineral resource and reserve estimates; the timing and amount of estimated future production, costs of production and capital expenditures and reclamation, the success of both the Company's mining operations, the success of mineral exploration, the estimations for potential quantities and grade of inferred resources and exploration targets; and the Company's ability to fund future exploration activities.

Undue reliance should not be placed on forward-looking statements, which are inherently uncertain, are based on estimates and assumptions and are subject to known and unknown risks and uncertainties that contribute to the possibility that the future events or circumstances contemplated by the forward-looking statements will not occur, some of which are specific to the Company or the Combined Company and others that apply to the mining industry generally. In making the forward-looking information or statements contained in this Circular, assumptions have been made regarding, among other things: the consummation of the Acquisition; the ability of the parties to receive, in a timely manner and on satisfactory terms, the necessary stock exchange and regulatory approvals; the ability of the parties to satisfy, in a timely manner, the other conditions for the completion of the Acquisition; statements made in, and based upon, the Fairness Opinion; the business and operations of the Company and, assuming closing of the Acquisition, the Combined Company; general business, economic and mining industry conditions; interest rates and foreign exchange rates; the continuing accuracy of mineral resource and reserve estimates; geological and metallurgical conditions (including with respect to the size, grade and recoverability of mineral resources and reserves) and cost estimates on which the mineral resource and reserve estimates are based; the supply and demand for commodities and precious and base metals and the level and volatility of the prevailing price of gold; market competition; the ability of the Company and, assuming closing of the Acquisition, the Combined Company to raise sufficient funds from capital markets and meet its future obligations and planned activities and that unforeseen events do not impact the ability of the Company or, assuming closing of the Acquisition, the Combined Company to use existing funds to fund future plans and projects as currently contemplated; the stability and predictability of the political environments and legal and regulatory frameworks, including with respect to, among other things, the ability of the Company and, assuming closing of the Acquisition, the Combined Company to obtain, maintain, renew and/or extend required permits, licences, authorizations and/or approvals from the appropriate regulatory authorities; that contractual counterparties perform as agreed; and the ability of the Company and, assuming closing of the Acquisition, the Combined Company to continue to obtain qualified staff and equipment in a timely and cost-efficient manner to meet its demand.

Actual results could differ materially from those anticipated in the forward-looking information or statements contained in this Circular as a result of risks and uncertainties (both foreseen and unforeseen) and should not be read as guarantees of future performance or results and will not necessarily be accurate indicators of whether or not such results will be achieved. These risks and uncertainties include: the Acquisition Agreement may be terminated in certain circumstances; there can be no certainty that all conditions precedent to the Acquisition will be satisfied; the Acquisition may affect the Combined Company's ability to attract and retain key personnel or affect third party business relationships; the Company will incur costs even if the Acquisition is not completed; the market price for the Common Shares may decline; the pending Acquisition may divert the attention of the Company's management; the Company may be the target of legal claims, securities class actions, derivative lawsuits and other claims, which may delay or prevent the Acquisition from being completed; if the Company is unable to complete the Acquisition or if completion of the Acquisition is delayed, there could be an adverse effect on the Company's liquidity, financial condition or business; the accuracy of historical and forward-looking operational and financial information and estimates provided by GCL; other customary risks associated with transactions of this nature; inability to achieve the benefits or synergies anticipated from the Acquisition; risks normally incidental to exploration and development of mineral projects and the conduct of mining operations (including mine failure, cost overruns or increases and operational difficulties resulting from plant or equipment failure, among others); the inability of the Company or the Combined Company to obtain required financing when needed and/or on acceptable terms or at all; risks related to the Company's title to its mineral properties; the risk of adverse changes in commodity prices; the risk that the Company's or the Combined Company's exploration for and development of mineral deposits may not be successful; the inability of the Company or the Combined Company to obtain, maintain, renew and/or extend required licences, permits, authorizations and/or approvals from the appropriate regulatory authorities and other risks relating to the legal and regulatory frameworks; competitive conditions in the mineral exploration and mining industry; risks related to obtaining insurance or adequate levels of insurance for the Company's or Combined Company's operations; that mineral resource and reserve estimates are only estimates and actual metal produced may be less than estimated in a mineral resource or reserve estimate; the risk that the Company or the Combined Company will be unable to delineate additional mineral resources; risks related to environmental regulations and cost of compliance, as well as costs associated with possible breaches of such regulations; uncertainties in the interpretation of results from drilling; the possibility that future exploration, development or mining operations will not be consistent with expectations; the risk of delays in construction resulting from, among other things, the failure to obtain materials in a timely manner or on a delayed schedule; inflationary pressures which may increase the cost of production or of consumables beyond what is estimated in studies and forecasts; changes in exchange and interest rates; the risk that third parties to contracts may not perform as contracted or may breach their agreements; the risk that plant, equipment or labour may not be available at a reasonable cost or at all, or cease to be available, or, in the case of labour, may undertake strike or other labour actions; the inability to attract and retain key management and personnel; and the risk of political uncertainty, terrorism, civil strife or war in the jurisdictions in which the Company or the Combined Company operates or in neighbouring jurisdictions which could impact on the Company's or the Combined Company's exploration, development and operating activities.

Failure to obtain the necessary stock exchange and regulatory approvals, or the failure of the parties to otherwise satisfy the conditions for the completion of the Acquisition, may result in the Acquisition not being completed on the proposed terms or at all. In addition, if the Acquisition is not completed, and the Company continues as an independent entity, there are risks that the announcement of the Acquisition and the dedication of substantial resources by the Company to the completion of the Acquisition could have an effect on its business and strategic relationships, including with future and prospective employees, customers, suppliers and partners, operating results and activities in general, and could have a material adverse effect on its current and future operations, financial condition and prospects.

Readers are cautioned that the above list of cautionary statements is not exhaustive. A number of known and unknown risks, uncertainties and other factors could cause actual events, performance or results to differ materially from what is projected in forward-looking statements. Should one or more of these risks and uncertainties materialize, or should underlying factors or assumptions prove incorrect, actual results may vary materially from those described in forward-looking statements. For a non-exhaustive list of risks and uncertainties relevant to the Company, please refer to *"Risk Factors"* contained herein and under the heading *"Risk Factors"* in the Company AIF and under the heading *"Other Risks and Uncertainties"* in the Company Annual MD&A, each of which are incorporated by reference in this Circular.

This Circular also contains mineral "resource" and mineral "reserve" estimates. Information relating to mineral "resources" and "reserves" contained in this Circular is considered forward-looking information in nature, as such estimates are estimates only, and that involve the implied assessment of the amount of minerals that may be economically extracted in a given area based on certain judgments and assumptions made by qualified persons, including the future economic viability of the deposit based on, among other things, future estimates of commodity prices. Such estimates are expressions of judgment and opinion based on the knowledge, mining experience, analysis of drilling results and industry practices of the qualified persons making the estimate. Valid estimates made at a given time may significantly change when new information becomes available and may have to change as a result of numerous factors, including changes in the prevailing price of gold. By their nature, mineral resource and reserve estimates are imprecise and depend, to a certain extent, upon statistical inferences which may ultimately prove unreliable. If such mineral resource or reserve estimates are inaccurate or are reduced in the future (including through changes in grade or tonnage), this could have a material adverse impact on the Company or the Combined Company and its operating and financial performance. Mineral resources that are not mineral reserves do not have demonstrated economic viability. Due to the uncertainty that may be attached to inferred mineral resources, it cannot be assumed that all or any part of an inferred mineral resource will be upgraded to an indicated or measured mineral resource as a result of continued exploration.

Financial outlook and future-oriented financial information contained in this Circular about prospective financial performance, financial position or cash flows is based on assumptions about future events, including economic conditions and proposed courses of action, based on management's assessment of the relevant information currently available and is subject to the same risk factors, limitations and qualifications as set forth above. The financial information included in this Circular has been prepared by, and is the responsibility of, management. The purpose of the financial outlook and future-oriented financial information provided in this Circular is to assist readers in understanding the Company's expected financial results following completion of the Acquisition and may not be appropriate for other purposes. The Company and its management believe that such financial information has been prepared on a reasonable basis, reflecting the best estimates and judgments, and that prospective financial information represents, to the best of management's knowledge and opinion, the Company's expected course of action. However, because this prospective information is highly subjective, it should not be relied on as necessarily indicative of past or future results, as the actual results may differ materially from those set forth in this Circular.

Although the forward-looking statements contained in this Circular are based upon what management believes are reasonable assumptions, the Company cannot provide assurance that actual results or performance will be consistent with these forward-looking statements. The forward-looking information and statements included in this Circular are expressly qualified by this cautionary statement. The Company does not undertake any obligation to publicly update or revise any forward-looking information except as required by applicable securities laws.

INFORMATION CONTAINED IN THIS CIRCULAR

Information contained in this Circular, including information in the schedules hereto, which form part of this Circular, is given as of February 24, 2025 unless otherwise specifically stated. Information contained in documents incorporated by reference in this Circular is given as of the respective dates stated in such documents. No person has been authorized to give any information or to make any representations in connection with the Acquisition other than those contained in this Circular and, if given or made, any such information or representations should be considered not to have been authorized by the Company.

Information contained in this Circular should not be construed as legal, tax or financial advice and Shareholders are urged to consult their own professional advisors in connection therewith.

GENERAL PROXY INFORMATION

Solicitation of Proxies

Management is soliciting your proxy for the Meeting. The Board has fixed 11:00 a.m. (Toronto time) on March 25, 2025, or 48 hours (excluding Saturdays, Sundays, or holidays) before any adjournment or postponement of the Meeting, as the time by which proxies to be acted upon at the Meeting must be deposited with the Company's transfer agent, TSX Trust Company ("**TSX Trust**" or the "**Transfer Agent**"). The time limit for the deposit of proxies may be waived or extended by the Chair of the Meeting (the "**Meeting Chair**") at his or her discretion without notice. It is expected that the solicitation will be primarily by email or telephone. Proxies may also be solicited personally by employees of the Company. Such employees will not receive any extra compensation for such activities. The Company has retained Laurel Hill Advisory Group to provide proxy solicitation services and shareholder communications advice at a fee of $65,000 for such services, in addition to certain out-of-pocket expenses. The Company may also reimburse brokers and other persons holding Common Shares in the name of nominees for their costs incurred in sending proxy materials to their principals in order to obtain their proxies.

The contents and the sending of this Circular have been approved by the Board.

Voting

Each Registered Shareholder and each person representing a Registered Shareholder or Beneficial Shareholder through a proxy (a "**Proxyholder**") will be entitled to one vote for each Common Share held or represented, respectively. To approve the Share Issuance Resolution, a majority of the votes cast will be required.

Quorum

Quorum for the Meeting consists of one person present in person, being a Shareholder entitled to vote at the Meeting, or a duly appointed proxy or Proxyholder for an absent Shareholder so entitled.

Registered Shareholders

Only Shareholders registered as Shareholders in the Company's shareholder register maintained by the Transfer Agent at the close of business on the record date ("**Registered Shareholders**"), or their duly appointed Proxyholders, are entitled to receive notice of, attend, and vote their Common Shares at the Meeting.

Registered Shareholders who are unable to attend the Meeting and who wish to ensure that their Common Shares will be voted at the Meeting are requested to either:

(a) Via the Internet: complete the proxy by voting online by entering your 13-digit control number at www.meeting-vote.com.

(b) By Email: complete, sign and scan the form of proxy to proxyvote@tmx.com.

(c) By Mail: complete, sign and deliver the enclosed form of proxy c/o Proxy Department, TSX Trust, P.O. Box 721, Agincourt, ON M1S 0A1; or

(d) By Fax: complete, sign and send the form of proxy to (416) 595-9693.

If you are a Registered Shareholder, to ensure your vote is counted, you should complete and return the enclosed form of proxy as soon as possible, even if you plan to attend the Meeting. Even if you return a form of proxy, you can still attend and vote at the Meeting, in which case you will need to instruct the scrutineer at the Meeting to cancel your proxy.

In order to be valid and acted upon at the Meeting, forms of proxy must be received not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time set for the holding of the Meeting or any adjournment or postponement thereof. Further instructions with respect to voting by proxy are provided in the form of proxy and below.

If you have further questions or require assistance to vote your shares, contact: Laurel Hill Advisory Group by calling toll-free 1 (877) 452-7184 if you are in North America, or (416) 304-0211 if you are outside North America, or by emailing at assistance@laurelhill.com.

Beneficial Shareholders

Shareholders may beneficially own Common Shares through: (a) brokers, securities dealers, banks, trust companies, trustees or administrators of a self-administered registered retirement savings plan, registered retirement income fund, registered education savings plan and similar plans, or their respective agents and nominees ("**Intermediaries**"); or (b) in the name of a clearing agency (such as CDS & Co., the registration name for The Canadian Depository for Securities Limited or CEDE & Co., the registration name for The Depository Trust Company) of which the Intermediary is a participant ("**Beneficial Shareholders**"). Beneficial Shareholders will not be recognized, nor may they make motions or vote at the Meeting, except as described below. Without specific instructions, Intermediaries are prohibited from voting Common Shares for their clients.

Additionally, there are two kinds of Beneficial Shareholders: (a) those who object to their name being made known to the issuers of securities which they own, known as Objecting Beneficial Owners ("**OBOs**"); and (b) those who do not object to their name being made known to the issuers of securities which they own, known as Non-Objecting Beneficial Owners ("**NOBOs**").

NI 54-101 requires Intermediaries to seek voting instructions from Beneficial Shareholders in advance of shareholder meetings. In accordance with the requirements of NI 54-101, the Company has distributed copies of the Notice of Meeting, this Circular and the form of proxy or Voting Instruction Form ("**VIF**") to the Intermediaries and clearing agencies for onward distribution to Beneficial Shareholders. Intermediaries are required to forward these materials to Beneficial Shareholders unless the Beneficial Shareholder has waived the right to receive them.

Management of the Company intends to pay for Intermediaries to forward to OBOs under NI 54-101 the proxy-related materials and Form 54-101F7 – *Request for Voting Instructions Made by Intermediary*.

Beneficial Shareholders will be sent a VIF by their Intermediary with the Circular. This form will instruct the Intermediary as to how to vote the Common Shares at the Meeting. **If you are a Beneficial Shareholder, it is vital that the VIF provided to you by your broker, intermediary, or its agent is returned according to the instructions provided in or with such form, sufficiently in advance of the deadline specified, to ensure that they are able to provide voting instructions on your behalf.**

Most Intermediaries in Canada and the United States of America delegate responsibility for obtaining instructions from clients to a third-party company such as Broadridge Financial Solutions ("**Broadridge**"), which sends a machine-readable VIF to Beneficial Shareholders and asks the Beneficial Shareholders to return the VIF to them or provide voting instructions to them. The third-party company then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Common Shares to be represented at the Meeting.

The VIF supplied to a Beneficial Shareholder by its Intermediary is substantially similar to the form of proxy provided directly to Registered Shareholders; however, it is limited to instructing the Registered Shareholder (that is, the Intermediary) how to vote on behalf of the Beneficial Shareholder.

Although a Beneficial Shareholder may not be recognized directly at the Meeting for the purposes of voting Common Shares registered in the name of their Intermediary, the Beneficial Shareholder may attend the Meeting as Proxyholder for the Intermediary and indirectly vote the Common Shares in that capacity. **Beneficial Shareholders wishing to attend the Meeting or have a desired representative attend and indirectly vote their Common Shares as their own Proxyholder, must enter their own names or the name of their desired representative, as applicable, in the blank space on the VIF provided to them and return the VIF in accordance with the instructions provided on it.**

If a Beneficial Shareholder receives a VIF and does not wish to attend the Meeting as a Proxyholder, the VIF must be returned, or instructions respecting the voting of Common Shares must be communicated, to the third-party company (or the Company or its Transfer Agent) in advance of the Meeting to have the Common Shares voted in accordance with the instructions on that VIF.

If you are a Beneficial Shareholder receiving a VIF from Broadridge, you may vote in advance of the Meeting in any of the ways set out below:

- Via the Internet: Go to the website at www.proxyvote.com and follow the instructions on the screen. The Beneficial Shareholder will need the 16-digit control number found on their VIF.

- By Telephone: Call the number located on such Beneficial Shareholder's VIF. The Beneficial Shareholder will need the 16 digit control number found on their VIF.

- By Mail: Complete and sign the VIF as directed and return it in the envelope provided.

- By Broadridge QuickVote™: The Company may utilize Broadridge's QuickVote™ service. Eligible Beneficial Shareholders may be contacted by Laurel Hill Advisory Group to take their vote instructions over the telephone.

If you have further questions or require assistance to vote your Common Shares, contact: Laurel Hill Advisory Group by calling toll-free 1 (877) 452-7184 if you are in North America, or (416) 304-0211 if you are outside North America, or by emailing at assistance@laurelhill.com.

Appointment of Proxyholders

The persons named in the accompanying form of proxy as Proxyholders are directors or officers of the Company. **A Shareholder has the right to appoint a person (who need not be a Shareholder) to attend and act on the Shareholder's behalf at the Meeting other than the persons named in the form of proxy as Proxyholders. To exercise this right, the Registered Shareholder must strike out the names of the persons named in the form of proxy as Proxyholders and insert the name of the Shareholder's nominee in the space provided or complete another form of proxy and submit the form of proxy at any time before the proxy deadline, or, in the event the Meeting is adjourned or postponed, not less than forty-eight (48) hours (excluding Saturdays, Sundays and statutory holidays in Ontario) before the adjourned meeting is reconvened or the postponed meeting is convened. If you appoint and register a non-management Proxyholder, please ensure that they attend the Meeting for your vote to count.**

The Common Shares represented by the form of proxy will be voted or withheld from voting in accordance with the instructions of the Shareholder on any ballot. A Shareholder completing the enclosed form of proxy may indicate the manner in which the persons named in the form of proxy are to vote with respect to any matter by marking an 'X' in the appropriate space. On any poll required or requested, those persons will vote or withhold from voting the Common Shares in respect of which they are appointed in accordance with the directions, if any, given in the form of proxy provided such directions are certain.

If a Shareholder wishes to confer a discretionary authority with respect to any matter, then the space should be left blank. If you appoint the Company's Proxyholders and do not indicate your voting instructions, they will vote your Common Shares FOR the Share Issuance Resolution.

The enclosed form of proxy, when properly signed, confers discretionary authority with respect to amendments or variations to the matters identified in the Notice of Meeting. At the date of this Circular, management of the Company is not aware of any amendments or variations that are to be presented at the Meeting. If, however, any such amendments or variations should properly come before the Meeting, the proxies hereby solicited will be exercised in accordance with the best judgement of the Proxyholders.

To be valid, the form of proxy must be dated and signed by the Shareholder or the Shareholder's attorney duly authorized in writing. In the case of a corporation, the form of proxy must be dated and executed under its corporate seal or signed by a duly authorized officer of, or attorney for, the corporation.

The completed proxy, together with the power of attorney or other authority, if any, under which it was signed or a notarially certified copy thereof, must be deposited with the Transfer Agent in accordance with its instructions and before the time set out in the form of proxy. Beneficial Shareholders should follow the instructions provided by their Intermediary and must return the form of proxy or VIF as directed by their Intermediary sufficiently in advance of the proxy deadline to enable their Intermediary to act on it before the proxy deadline. The Meeting Chair reserves the right to accept late proxies and to waive the proxy deadline with or without notice, but is under no obligation to accept or reject any particular late proxy.

Revocation of Proxies

Shareholders have the power to revoke proxies previously given by them. Revocation of proxies by Registered Shareholders can be effected by an instrument in writing (which includes a form of proxy bearing a later date) signed by a Shareholder or the Shareholder's attorney duly authorized in writing (in the case of a corporation, such instrument must be executed under its corporate seal or signed by a duly authorized officer or attorney for the corporation) which is either delivered to TSX Trust at Proxy Department, P.O. Box 721, Agincourt, Ontario, M1S 0A1, Canada any time up to and including the close of business on the last business day preceding the day of the Meeting, or any adjournment or postponement thereof, or deposited with the Meeting Chair prior to the hour of commencement on the day of the Meeting or as permitted by law.

A Beneficial Shareholder who has submitted a proxy may revoke it by contacting the Intermediary through which the Beneficial Shareholder's Common Shares are held and following the instructions of the Intermediary respecting the revocation of proxies.

If you vote on a ballot, you will be revoking any, and all, previously submitted proxies. If you DO NOT wish to revoke your previously submitted proxies, do not vote at the Meeting.

If you have any questions with respect to the foregoing or need help with voting, we invite you to contact Laurel Hill Advisory Group by calling toll-free 1 (877) 452-7184 if you are in North America, or (416) 304-0211 if you are outside North America, or by emailing at assistance@laurelhill.com.

MATTERS TO BE CONSIDERED AT THE MEETING

Special Business of the Meeting

At the Meeting, Shareholders will be asked:

(a) to consider and, if deemed advisable, to pass, with or without variation, an ordinary resolution, the full text of which is disclosed in this Circular under the heading *"Matters to be Considered at the Meeting – Required Shareholder Approval"* approving the issuance, or reservation for issuance, of up to 123,616,667 Common Shares in the capital of the Company in connection with the Acquisition by the Company of 100% of the issued and outstanding common shares of NewCo from GCL in accordance with the terms of the Acquisition Agreement, and as more particularly described herein; and

(b) to transact such further or other business as may properly come before the Meeting or any adjournment(s) or postponement(s) thereof.

Unless otherwise directed, it is the intention of management's proxyholders to vote proxies in favour of the Share Issuance Resolution. **To pass, the Share Issuance Resolution requires approval by a simple majority of the votes cast at the Meeting by Shareholders**.

Background to the Acquisition

The execution of the Acquisition Agreement was the result of arm's length negotiations among representatives of the Company, Newmont and their respective legal and financial advisors and, in the case of the Company, the supervision and input of the Special Committee. The following is a summary of the material events which led to the meetings, negotiations, discussions and actions between the parties that preceded the execution and public announcement of the Acquisition.

The Board regularly reviews the Company's overall corporate strategy and long-term strategic plan as part of its ongoing review and oversight of the Company's business, with a view to the best interests of the Company. As part of this process, the Company has, from time to time, assessed the relative merits of various strategic alternatives, including potential acquisitions, divestitures and various combinations of the Company and its assets. In the ordinary course of business, the Company has had engagement with other industry peers for the purpose of seeking opportunities for collaboration, joint business development opportunities, asset acquisitions and, in some circumstances, evaluation of more transformational strategic alternatives, including the potential for corporate-level transactions.

In February 2024, Newmont announced that it planned to divest four non-core producing assets in North America, including the Porcupine Complex (the "**Sales Process**"). As management and the Board regularly review and evaluate potential corporate development opportunities, and given management's extensive experience in the Timmins region, the Company identified the Porcupine Complex as a potential fit early in the Sales Process. The Company viewed the Porcupine Complex as having the potential to be an asset for the Company, being in an attractive jurisdiction and having the right characteristics, to fundamentally transform and enhance the Company's portfolio. In addition to creating a new Canadian gold producer with expected free cash flow, the Company's executives are well experienced in Canadian mining operations, particularly in the Timmins, Ontario gold camp.

Phase I

Following Newmont's announcement in February 2024, BMO Capital Markets ("**BMO**") and representatives of the Company had a number of discussions about the upcoming Sales Process.

On March 25, 2024, BMO contacted the Company to communicate the commencement of the Sales Process, including discussing Newmont's objectives and the expected timing of the Sales Process. Following this call, the Company's representatives were provided with a teaser with basic information on the applicable assets, and a form of confidentiality agreement. The parties entered into a confidentiality agreement on April 26, 2024, as amended on May 22, 2024 and November 12, 2024.

On May 14, 2024, BMO provided the Company with the Phase I process letter for the Sales Process and shortly thereafter provided access to various materials on a virtual data room on May 16, 2024. The letter outlined that non-binding proposals would be due on July 11, 2024. Between May 14, 2024, and July 11, 2024, the Company engaged its technical, financial and legal advisors, and completed its initial technical due diligence on the Porcupine Complex. On June 25, 2024, the Board met to review the Phase I process letter. On June 28, 2024, the Board met to receive an update with respect to the Sales Process and, on July 8, 2024, met to formally approve the Phase I offer letter. Based on the results of the technical due diligence and as recommended by the Board, the Company executives submitted a non-binding proposal for the Porcupine Complex to BMO on July 11, 2024.

Between May 14, 2024 and July 11, 2024, BMO and representatives of the Company engaged in various discussions clarifying elements of the Company's proposal. During this time, the Company and its financial advisors also contacted multiple parties to solicit interest in financing the Acquisition, ultimately receiving three non-binding letters of interest indicating an interest in providing the Company with financial support for the Acquisition.

Phase II

On July 25, 2024, BMO advised the Company that the Company would be included in Phase II of the Sales Process and subsequently provided the Phase II process letter on August 6, 2024. This letter confirmed that binding submissions for the Sales Process were due by October 17, 2024.

Commencing in August 2024, management, along with its technical, financial and legal advisors, completed additional comprehensive due diligence on the Porcupine Complex. This due diligence included reviewing the information provided in an expanded virtual data room, numerous expert sessions with members of Newmont’s management team, and an initial site visit to the Porcupine Complex between August 27 and August 30, 2024, which included a comprehensive presentation from management while on site. The Company also completed two further site visits in September and November 2024. The Company and its financial advisors also facilitated due diligence for financing parties during this period and negotiated the potential terms of their financing proposals.

On October 2, 2024, the Board determined that it was in the Company's best interests to establish a special committee (the "**Special Committee**") of independent directors, consisting of Murray John, Jennifer Wagner, Barry Olson and Jeff Parr. The Special Committee was established with the mandate to supervise and, where considered appropriate, conduct negotiations on behalf of the Company, and to evaluate and make a recommendation to the Board with respect to the Acquisition, should an agreement be reached.

On October 3, 2024, the Company submitted its comments on the draft Acquisition Agreement to BMO, as required under the Phase II process letter.

On October 4, 2024, the Special Committee convened a meeting at which the Company's executives provided a comprehensive update regarding the Phase I submission and its plans and strategy for the Phase II process. The Special Committee was provided with a detailed overview of the technical due diligence, valuation work to date by the Company's financial advisors, the Company's acquisition financing plan, and various other transaction matters.

On October 11, 2024, the Special Committee convened a meeting at which Company executives provided a comprehensive update on the due diligence process to date, including conclusions from the site visits to the Porcupine Complex, ongoing valuation work by the Company's financial advisors, as well as the proposed financing analysis. The Special Committee and executives engaged in various deliberations and discussions regarding the Acquisition and the proposed markup of the draft Acquisition Agreement, the form of which was provided by BMO shortly following the receipt of the Phase II process letter. The Special Committee then met in camera, following which it reiterated its support of the Acquisition to the executives of the Company.

On October 17, 2024, the Special Committee and the Board each met, together with their legal and financial advisors, to discuss the terms of the Phase II final bid for the Porcupine Complex. At the meetings, the Board and Special Committee were provided with a presentation from management that included an update on technical, environmental, financial, tax and legal due diligence, an update on the proposed financing package (including a term sheet received from Franco-Nevada in respect of proposed royalty and debt financing), projected 5-year operational plans and capital costs, and an overview of the environmental liabilities at the Porcupine Complex. The Special Committee also discussed the terms of the proposed acquisition financing from Franco-Nevada, the latest draft of the Acquisition Agreement and the proposed final form of the proposal letter and ultimately recommended that the Board approve the submission of the proposal letter and the term sheet relating to the proposed financing package from Franco-Nevada.

At the Board meeting, SCP Resource Finance LP and Fort Capital Partners, financial advisors to the Company, provided a detailed presentation describing the Acquisition, the merits of the Acquisition, an overview of the financing plan and a valuation analysis. Bennett Jones LLP, the Company's legal counsel, provided a presentation on the duties and obligations of the directors when committing to make an acquisition proposal with a third party. Following various deliberations and discussions with the Company's executives and financial advisors, and in light of the recommendation of the Special Committee, the Board approved the Company's submission of the Phase II offer letter.

On October 17, 2024, the Company submitted the final Phase II offer letter to BMO.

Ongoing Negotiation and Final Execution

On October 25, 2024, on behalf of Newmont, BMO provided feedback to Discovery in respect of its Phase II offer, requesting clarification on certain items of the offer. On October 29, 2024, Discovery provided written responses to the points raised by Newmont and its advisors, and on October 31, 2024, BMO communicated to Discovery that it had been selected as the preferred bidder for the Porcupine Complex

Following such confirmation, the Company and Newmont, principally through their respective legal advisors, Bennett Jones LLP and Goodmans LLP, respectively, continued to negotiate and exchange drafts of the principal transaction documents, including the draft Acquisition Agreement, Asset Purchase Agreement, Investor Rights Agreement and Transition Services Agreement. Discovery also commenced negotiating definitive documentation with Franco-Nevada in respect of the Franco-Nevada Financing Package, which was led by Cassels Brock & Blackwell LLP as legal counsel to Discovery in respect of the Franco-Nevada Financing Package. The Company also commenced the process of engaging with the various technical experts at Newmont and externally to produce the NI 43-101 technical report for the Porcupine Complex.

On November 25, 2024, representatives from Discovery and Newmont, together with their respective financial and legal advisors, met at the offices of Goodmans LLP in Toronto, with additional representatives from Newmont joining via videoconference. At the meeting, the parties discussed the draft Acquisition Agreement and the related transaction documents, as well as addressed the recently commenced TTN Litigation.

On December 9, 2024, the Special Committee and Board met at the offices of Cassels Brock & Blackwell LLP in Toronto to review with management and the legal and financial advisors the complex set of arrangements which were required to be negotiated between Discovery, Newmont, Franco-Nevada and the potential underwriting syndicate to raise the equity proceeds of the Acquisition along with the updated financial model, mine plan and technical report with respect to the Porcupine Complex. The Special Committee received an update from Bennett Jones LLP with respect to the draft Acquisition Agreement and the TTN Litigation and also received an update from Cassels Brock & Blackwell LLP with respect to the Franco-Nevada Financing Package. Based on the input from the financial and legal advisors, the Special Committee unanimously recommended that the Board and management continue to advance the draft Acquisition Agreement and the Franco-Nevada Financing Package and continue to negotiate with Newmont on the outstanding matters.

Between November 25, 2024, and January 26, 2025, Discovery and Newmont negotiated the final transaction terms under the Acquisition Agreement, while Discovery simultaneously negotiated the final terms under the Franco-Nevada Financing Package, including the Implementation Agreement and related side letter, as well as the forms of the Term Loan Agreement and net smelter return royalty agreement.

On January 26, 2025, the Special Committee formally engaged CIBC as financial advisor and met to receive an update on the Acquisition and the Financings, receive the oral Fairness Opinion from CIBC, and formally approve the Acquisition, the Financings and the related matters. At this meeting, management and its financial advisors provided an update on due diligence, the results of the Porcupine Technical Report, the pricing of the Offering and the resulting *pro forma* equity ownership of certain Shareholders. Following management's presentation, Bennett Jones LLP provided an update on the Acquisition Agreement and the related documents, as well as an update on the Offering and the requirement to obtain Shareholder approval in respect of the Share Issuance Resolution. Cassels Brock & Blackwell LLP provided an update on the documents relating to the Franco-Nevada Financing Package.

After the presentations of legal counsel, CIBC delivered the results of the Fairness Opinion (subsequently confirmed in writing) to the effect that, as of the date thereof and subject to the assumptions, limitations and qualifications described in such opinion, the consideration to be paid by Discovery pursuant to the Acquisition Agreement is fair, from a financial point of view, to the Company. After extensive discussion and deliberation and consultation with its legal and financial advisors, the Special Committee completed its deliberations *in camera* and unanimously determined that the Acquisition was in the best interest of the Company and unanimously recommended that the Board approve the Acquisition and the entering into of the Acquisition Agreement.

Following the Special Committee meeting on January 26, 2025, the Board met to receive the unanimous recommendation of the Special Committee. After discussion and deliberation and consultation with its legal and financial advisors, the Board unanimously determined that the Acquisition was in the best interest of the Company and unanimously approved the Acquisition, the entering into of the Acquisition Agreement, and related matters including the documents relating to the Offering and the Franco-Nevada Financing Package and the form of Support and Voting Agreement. Tony Makuch, Chief Executive Officer and a director of Discovery, disclosed to the Board that he expected to purchase Subscription Receipts under the Offering. Mr. Makuch therefore declared a conflict of interest with respect to his own participation in the Offering and abstained from voting thereon.

Following the meeting of the Board and the Special Committee, the Company and Newmont finalized the terms of the Acquisition Agreement and the forms of the investor rights agreement (the "**Investor Rights Agreement**") and transition services agreement (the "**Transition Services Agreement**") appended to the Acquisition Agreement, and the Company and Franco-Nevada finalized the terms of the Implementation Agreement, the side letter thereto, and the forms of Term Loan Agreement and net smelter return royalty agreement appended to the Implementation Agreement, with only minor changes to the drafts circulated to the Board earlier that day.

On the morning of January 27, 2025, prior to market opening, the Acquisition Agreement, the Implementation Agreement and side letter with Franco-Nevada, and a bought deal letter with the co-lead underwriters of the Offering were each executed, and the Company issued a news release announcing the Acquisition and the related Financings.

Recommendation of the Special Committee

After considering the Fairness Opinion, and after consulting with its financial and legal advisors, among other considerations as it considered necessary and relevant, including the factors set out below under the heading *"Matters to be Considered at the Meeting – Reasons for the Recommendations of the Special Committee and the Board"*, the Special Committee unanimously: (i) determined that the Acquisition and the entering into of the Acquisition Agreement are in the best interests of the Company and its Shareholders; and (ii) unanimously recommended that the Board approve the Acquisition and the entering into of the Acquisition Agreement.

Recommendation of the Board

After considering the unanimous recommendation of the Special Committee, and after consulting with its financial and legal advisors, among other considerations as it considered necessary and relevant, including the factors set out below under the heading *"Matters to be Considered at the Meeting – Reasons for the Recommendations of the Special Committee and the Board"*, the Board, among other things, unanimously: (i) approved the Acquisition and determined that the entering into of the Acquisition Agreement is in the best interests of the Company and is fair to Shareholders; and (ii) resolved to recommend that Shareholders vote in favour of the Share Issuance Resolution.

Reasons for the Recommendations of the Special Committee and the Board

The Special Committee has unanimously recommended the Acquisition to the Board and the Board has unanimously approved the Acquisition as more particularly described in this Circular. In the course of its evaluation of the Acquisition, the Board considered a significant amount of information and considered a number of factors, including those listed below, with the benefit of advice from Discovery management and the respective financial and legal advisors of the Special Committee and the Board. The following is a summary of the principal reasons for the unanimous recommendation of the Special Committee and the Board's unanimous approval of the Acquisition and its recommendation to Shareholders that they vote in favour of the Share Issuance Resolution:

- ***Establishes Discovery as a New Canadian Gold Producer with Additional Upside.*** The proposed Acquisition would establish Discovery as a new gold producer with multiple operations in the prolific Timmins, Ontario gold camps. The Porcupine Complex accounts for approximately 70 million ounces of total historical production, with a large base of mineral resources and what the Company believes is substantial exploration upside to support future potential mine life extensions and production growth, with significant drilling planned across the approximately 140,000-hectare land position in Timmins and at Borden. The Company believes that potential exists to both extend existing zones and identify new areas of mineralization at current and past operations and to drill for new discoveries at numerous property-wide targets across the Timmins gold camp.

- ***Addition of Growing Gold Production.*** The Acquisition would add to Discovery's existing operations gold production that, based on the Porcupine Technical Report, is expected to average annual production of over 285,000 ounces during the next 10 years, with a total expected mine life of 22 years.

- ***Potential for Significant Value Upside.*** Discovery believes there is substantial upside potential, including opportunities to potentially increase production and reduce costs at the Hoyle Pond, Borden and Pamour mines and the potential to upgrade the Inferred Mineral Resource at the Dome mine, which does not form part of the preliminary economic analysis contained in the Porcupine Technical Report. Furthermore, the

Acquisition may create potential for value creation through multiple expansion and an enhanced capital markets profile, with Discovery trading at a substantial discount to mid-tier gold producers prior to the announcement of the Acquisition, thereby creating a re-rating opportunity.

- ***Management Experience***. Discovery's management team has extensive experience working in the Timmins, Ontario gold camp in the exploration, discovery, development and operations of deposits and mines in the area and believes it is well positioned to maximize the value of the Porcupine Complex.

- ***Attractive Asset.*** As set out in the Porcupine Technical Report, the Porcupine Complex is currently expected to generate after-tax free cash flows of US$1.3 billion over the first 10 years with a project net present value at a 5% discount rate ("**NPV**") totalling approximately US$1.2 billion assuming analyst consensus gold prices, including a long-term price of US$2,150 per ounce, or US$2.3 billion assuming a long-term price of US$2,650 per ounce using a sensitivity case involving gold prices of +23% to the base case. Over the life of the mine, after-tax free cash flows are estimated at approximately US$1.8 billion at base case gold prices.

- ***Financial Strength***. The Company believes that the free cash flow from Porcupine, in addition to the net proceeds from the Franco-Nevada Financing Package and the Offering, positions Discovery to build substantial financial strength. The issuance of the Consideration Shares as part of the Purchase Price allows the Company to conserve its cash resources, thereby improving the Company's financial ability to invest in the Porcupine Complex and support future growth.

- ***Diversified* Portfolio**. The Acquisition would also diversify the Company's portfolio with the strength of the Porcupine Complex to support the financing, and ultimate development and operation, of the Cordero Project. This new multi-asset portfolio would improve diversification and would provide exposure to both gold and silver prices

- ***Shareholder Support.*** The directors and officers of Discovery and certain other shareholders, representing in aggregate approximately 35% of the issued and outstanding Common Shares as of the Record Date, have entered into support and voting agreements (the "**Support and Voting Agreements**"), pursuant to which, and subject to the terms thereof, they have agreed to vote their Common Shares in favour of the Share Issuance Resolution. See *"Support and Voting Agreements"* in the Circular.

- ***Benefits for Porcupine Complex Stakeholders.***

  - The Acquisition would position the Porcupine Complex as a core asset in a portfolio operated by a management team committed to growing and optimizing the assets to maximize stakeholder value and mine life.

  - Discovery recognizes that the skill and expertise of the Porcupine Complex team represents a key strength and is committed to supporting the existing managers, employees, contractors and suppliers in continuing to drive the Porcupine Complex forward.

  - The Discovery leadership team has deep roots in the Timmins community and intends to bring a strong commitment to supporting Timmins and the surrounding area through investment, donations and other initiatives.

  - The Discovery leadership team already has long-standing and positive relationships with local First Nations groups around Timmins and will ensure that all existing commitments, obligations and agreements are honoured and will work cooperatively to identify new opportunities to further strengthen these relationships.

  - Discovery fully understands that mining is a privilege, and it will bring the same commitment to responsible mining to Timmins that has resulted in the Company receiving numerous awards and distinctions in Mexico. In particular, the Company has included in its financial plan for the Porcupine Complex significant investment for mine closure and site reclamation and rehabilitation to ensure that both current operations and legacy sites are successfully remediated and available for future use by the community.

See "*Matters to be Considered at the Meeting – General Description of the Acquisition Agreement*" for a high-level summary of the Acquisition Agreement.

The discussion of the information and factors considered and given weight by the Special Committee and the Board is not, and is not intended to be, exhaustive. In view of the wide variety of factors and information considered in connection with their evaluation of the Acquisition, the Special Committee and the Board did not find it practicable to, and therefore did not, quantify or otherwise attempt to assign any relative weight to each specific factor or item of information considered in reaching their conclusions and recommendations, and individual directors may have given different weights to different factors.

Interests of Certain Persons or Companies in the Matters to be Acted Upon

Other than as described below, to the knowledge of the directors and executive officers of the Company, none of the directors or executive officers of the Company who have been a director or executive officer at any time since the beginning of the Company's last financial year and no associate or affiliate of any of the foregoing, have any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting.

Certain directors and officers of the Company purchased Subscription Receipts under the Offering. Upon the Acquisition Closing, each Subscription Receipt will automatically be exchanged for one Common Share without payment of additional consideration and without further action by the holder. See *"Matters to be Considered at the Meeting – Financing the Acquisition – The Offering"*.

General Description of the Acquisition Agreement

The following description of the Acquisition Agreement is qualified in its entirety by reference to the full text of the Acquisition Agreement, which is available electronically under the Company's profile on SEDAR+ at www.sedarplus.ca.

On January 27, 2025, Discovery entered into the Acquisition Agreement with GCL to acquire all of the issued and outstanding common shares of NewCo, a newly created wholly owned subsidiary of GCL, formed to hold all of GCL's rights, title and interest in and to Porcupine Complex, from GCL, for total consideration of US$425 million. The Purchase Price consists of US$200 million payable in cash and US$75 million payable through the issuance of an aggregate of 119,716,667 Consideration Shares, both of which are payable on the Acquisition Closing and are subject to customary closing adjustments, and US$150 million of deferred consideration to be paid in four annual cash payments of US$37.5 million commencing on December 31, 2027. Pursuant to the Acquisition Agreement, in the event that the Share Issuance Resolution is not approved at the Meeting, the number of Consideration Shares to be issued to GCL on the Acquisition Closing shall be reduced to 94,512,921 Consideration Shares, and the first deferred cash payment payable to GCL on December 31, 2027, shall be increased from US$37.5 million to US$53,289,622. The Consideration Shares are subject to a one-year contractual lock-up.

Pursuant to the Reorganization, prior to (or concurrent with) the closing of the Acquisition, GCL will transfer all of its transferrable rights, title and interest in and to the Porcupine Complex to NewCo in exchange for shares of NewCo. Subsequent to the closing of the Reorganization but prior to the closing of the Acquisition, GCL may transfer the shares of NewCo to another wholly owned subsidiary of Newmont (the "**Vendor**").

Pursuant to the Acquisition Agreement, Discovery will acquire the Purchased Shares from the Vendor, thus acquiring all assets, liabilities, and property comprising the Porcupine Complex.

Except as otherwise stated, all capitalized terms used in this section *"General Description of the Acquisition Agreement"* that are not otherwise defined in this Circular have the meanings given to them in the Acquisition Agreement.

Representations and Warranties of GCL

The Acquisition Agreement contains certain customary representations and warranties of GCL, related to, among other things: "Incorporation and Corporate Power"; "Authorization"; "Enforceability of GCL's Obligations"; "Ownership of Purchased Shares"; "Subsidiaries"; "Qualification to do Business"; "Capitalization"; "Records"; "Bankruptcy, Insolvency and Reorganization"; "Shareholders' and Similar Agreements"; "Mine Financial Statements"; "No GCL Material Adverse Change"; "Title to Other Assets"; "Property"; "Personal Property"; "Company Premises Leases"; "Personal Property Leases"; "Material Contracts"; "Litigation and Orders"; "Compliance with Applicable Laws"; "Company Licences"; "Compliance with Anti-Corruption Laws"; "Anti-Money Laundering and Compliance with Laws"; "Undisclosed Liabilities"; "Consents and Regulatory Approvals"; "Absence of Conflicting Agreements"; "Environmental Matters"; "Contracts with Indigenous Groups"; "Indigenous Groups Claims"; "Insurance"; "Tax Matters"; "Absence of Change"; "Benefit Plans"; "Employment Matters"; "Intellectual Property"; "Related Party Transactions"; "Commissions"; "Residence"; and "No Prior Activity".

Representations and Warranties of Discovery

The Acquisition Agreement contains certain customary representations and warranties of Discovery, related to, among other things: "Incorporation and Corporate Power"; "Authorization by Purchaser"; "Enforceability of Obligations"; "Subsidiaries"; "Qualification to do Business"; "Capitalization"; "Consents and Regulatory Approvals"; "Investment Canada Act"; "Absence of Conflicting Agreements"; "Financing"; "Bankruptcy, Insolvency and Reorganization"; "Shareholders' and Similar Agreements"; "Financial Statements"; "No Purchaser Material Adverse Change"; "Property"; "Purchaser Premises Leases"; "Personal Property Leases"; "Litigation and Orders"; "Compliance with Applicable Laws"; "Purchaser Licences"; "Compliance with Anti-Corruption Laws"; "Anti-Money Laundering and Compliance with Laws"; "Undisclosed Liabilities"; "Indigenous Group Claims"; "Absence of Change"; "Reports"; "Commissions"; "No Reliance"; "Freely Tradeable Securities"; and "Securities Law Matters".

Covenants of the Parties

Pursuant to the Acquisition Agreement, Discovery and GCL have agreed to certain covenants, including customary covenants relating to the operation of the Porcupine Complex in the ordinary course during the period between the signing of the Acquisition Agreement and the Acquisition Closing. Below is a summary of certain other covenants contained in the Acquisition Agreement, which is not exhaustive and is qualified in its entirety by reference to the full text of the Acquisition Agreement, which is available for review under the Company's issuer profile on SEDAR+ at www.sedarplus.ca.

- *Reclamation and Closure Plan*. Discovery has covenanted to GCL that Discovery will, and will cause NewCo to: (i) comply with and satisfy the reclamation liabilities in relation to or in connection with the Porcupine Complex; (ii) undertake reclamation of the Porcupine Complex to a standard with complies with the requirements of applicable laws, including environmental laws, and is in accordance with any closure plans agreed to with, or required by, the relevant governmental authorities from time to time; and (iii) provide all security and financial assurance required by any governmental authority in support of the closure plans in respect of the Porcupine Complex as and when required.

- *Company Employees, Benefits Plans and Pension Plans*. Pursuant to the Reorganization, GCL and its affiliates, as applicable, will transfer the employment of the employees and the engagement of the independent contractors of GCL and its affiliates which are employed or engaged exclusively in connection with the Porcupine Complex to NewCo, as well as use commercially reasonable efforts to transfer or cause to be transferred the Enterprise Employees (as defined in the Acquisition Agreement) to NewCo (such employees, independent contractors, and Enterprise Employees the "**Porcupine Employees**"). The Porcupine Employees will, as of the Acquisition Closing, or the end of the transition period under the Transition Services Agreement (as applicable), be entitled to participate in the Company's benefit plans and pension plans as applicable.

- *Acquisition Financing*. Discovery has agreed to take, or cause to be taken, all actions and do, or cause to be done, all things necessary, proper or advisable to consummate and obtain the proceeds under the Offering and the Franco-Nevada Royalty Package (together, the "**Financings**") as promptly as possible. Discovery has also agreed to keep GCL reasonably informed about the status of the Financings and not amend, supplement, modify or waive any of the terms of the agreements governing the Financings without the prior written consent of GCL, if such amendment, supplement, modification or waiver would reasonably be expected to prevent or delay the consummation of the Financings. In the event all or any portion of the Financings becomes unavailable on the terms and conditions contemplated in the agreements committing such Financings, then Discovery shall promptly arrange and obtain alternative financing from alternative financial institutions, subject to certain limitations, in an amount sufficient to consummate the transactions contemplated by the Acquisition Agreement.

- *Non-Solicitation of Other Bids*. Pursuant to the Acquisition Agreement, GCL has agreed that it will not, and will not authorize or permit any of its affiliates (including NewCo) or any of its or their representatives to, directly or indirectly: (i) encourage, solicit, initiate, facilitate or continue inquiries regarding an Acquisition Proposal (as defined in the Acquisition Agreement); (ii) enter into discussions or negotiations with, or provide any information to, any person concerning a possible Acquisition Proposal; or (iii) enter into any agreements or other instruments (whether or not binding) regarding an Acquisition Proposal. GCL has also agreed to terminate all existing discussions or negotiations with any person conducted before the date of the Acquisition Agreement with respect to, or that could lead to, an Acquisition Proposal.

- *Hollinger Mine*. GCL has agreed that until the Acquisition Closing, GCL shall, and shall cause NewCo to, cease all manner of mining operations, activities or other actions carried on, at or under the Hollinger mine and all activities of any nature reasonably ancillary thereto, including, without limitation, mining, milling and mineral exploration activities.

Closing Conditions

Completion of the Acquisition is subject to customary closing conditions as set forth in the Acquisition Agreement including, among others, the completion of the Reorganization, the accuracy of representations and warranties, the performance of covenants, the receipt of certain required regulatory approvals, no material adverse change, and the delivery to each of the parties of customary closing documentation.

Indemnification

Except for certain liabilities retained by GCL, Discovery will assume all liability and responsibility for, and all obligations of GCL arising pursuant to or in connection with, the Porcupine Complex, including liabilities related to Porcupine Employees that will remain with NewCo, certain tax liabilities, GCL's environmental liabilities, and/or all other environmental and/or mining rehabilitation and reclamation costs, liabilities and obligations in respect of, related to or arising out of the Porcupine Complex. Discovery has also agreed to indemnify GCL against certain assumed liabilities, transfer taxes and all reclamation liability, as well as in relation to the TTN Litigation.

Termination

The Acquisition Agreement may be terminated at any time prior to the Acquisition Closing: (i) by mutual written consent of Discovery and GCL; (ii) by either party if the Acquisition Closing has not occurred on or before June 30, 2025, provided that the right to terminate the Acquisition Agreement shall not be available to any party whose breach of any representation or warranty, or failure to perform any covenant or obligation under the Acquisition Agreement shall have been the cause of the failure of the Acquisition Closing to occur prior to such date; or (iii) by either party if any closing condition in favour of that party has not been fulfilled at or before June 30, 2025 or if any such condition is, or becomes, impossible to satisfy prior to June 30, 2025, other than as a result of the failure of that party to comply with its obligations under the Acquisition Agreement.

If the Acquisition Agreement is terminated by GCL because of: (i) a breach by Discovery of its representations and warranties in the Acquisition Agreement where such breach would have a material adverse effect on Discovery's ability to consummate the Acquisition; or (ii) failure by Discovery to perform or comply with, in all material respects, all of its covenants, obligations, agreements, terms and conditions in the Acquisition Agreement, then Discovery has agreed to pay GCL US$10,000,000 as liquidated damages, which shall be paid no later than three business days following receipt of written notice from GCL demanding payment.

Ancillary Agreements

Pursuant to the Acquisition Agreement, Discovery and GCL agreed to the forms of (i) the Transition Services Agreement and (ii) the Investor Rights Agreement, in each case between Discovery and GCL, to be entered into at the Acquisition Closing.

The Transition Services Agreement provides for GCL to provide, or cause its affiliates to provide, certain services to Discovery that are required for the operation of the Porcupine Complex in a similar manner as the Porcupine Complex was operated immediately prior to the Acquisition Closing. In exchange for the services to be provided under the Transition Services Agreement, Discovery has agreed to pay GCL certain prescribed service fees in accordance with the terms of the Transition Services Agreement and reimburse GCL for certain prescribed expenses. The Transition Services Agreement shall be effective until six months following the Acquisition Closing, unless earlier terminated in accordance with its terms, subject to the right of the Company to extend the term of the Transition Services Agreement upon an advance written notice to GCL pursuant to the provisions of the Transition Services Agreement.

Under the Investor Rights Agreement, for so long as GCL owns at least 10% of the Common Shares, GCL shall have the right, but not the obligation, to designate either one nominee to serve as a director of the Company or appoint one individual as a non-voting observer to the Board. The Investor Rights Agreement also contains certain pre-emptive and top-up rights in favour of GCL, provided GCL owns at least 10% of the Common Shares. Pursuant to the Investor Rights Agreement, the parties have also made certain covenants, including certain covenants from GCL relating to standstill restrictions and voting support and covenants regarding certain restrictions and conditions on the disposition of Consideration Shares.

Discovery Replacement RSUs

In accordance with the Acquisition Agreement, each outstanding restricted stock unit of Newmont held by Porcupine Employees shall be exchanged for restricted share units granted by Discovery having a value equal to such Newmont restricted stock units immediately prior to the Acquisition Closing (the "**Discovery Replacement RSUs**"). The actual number of Discovery Replacement RSUs to be granted to Porcupine Employees on the Acquisition Closing will be based on (i) the actual number of Newmont restricted stock units held by the Porcupine Employees at the Acquisition Closing, (ii) the five-day volume-weighted average price of Newmont's common shares immediately prior to the Acquisition Closing, (iii) the five-day volume-weighted average price of Discovery's Common Shares immediately prior to the Acquisition Closing, and (iv) the US dollar to Canadian dollar exchange rate immediately prior to the Acquisition Closing. Accordingly, the actual number of Discovery Replacement RSUs to be granted, and the number of Common Shares reserved for issuance in settlement therefor, will vary.

On the Acquisition Closing, the Porcupine Employees will each be an "Eligible Person" within the meaning of the Discovery RSU Plan. The Discovery Replacement RSUs will be granted under, and will be governed by, the Discovery RSU Plan, and the vesting schedules of the Discovery Replacement RSUs are expected to match the vesting schedules of the Newmont restricted stock units that they will replace. As the Discovery Replacement RSUs will be granted under the Discovery RSU Plan, the reservation for issuance of the Common Shares underlying such Discovery Replacement RSUs does not require the approval of Shareholders pursuant to the policies of the TSX.

Financing the Acquisition

The Franco-Nevada Financing Package

For the purposes of financing the Acquisition, as well as to fund capital expenditures and support working capital needs following completion of the Acquisition, Discovery has entered into an implementation agreement dated January 27, 2025 (the "**Implementation Agreement**") with Franco-Nevada pursuant to which Franco-Nevada has agreed to, or to cause certain of its affiliates to: (i) enter into a net smelter return royalty agreement on the Acquisition Closing pursuant to which an affiliate of Franco-Nevada will purchase from NewCo upon the closing of the

Acquisition for consideration of US$300 million: (A) a 2.25% life-of-mine net smelter return royalty on all minerals produced from Porcupine (the "**Fixed Royalty**"); and (B) an additional 2.00% fixed and early repayable royalty on all minerals produced from Porcupine (the "**Repayable Royalty**" and together with the Fixed Royalty, the "**Franco-Nevada Royalty Package**"); and (ii) enter into a term loan agreement (the "**Term Loan Agreement**") on the Acquisition Closing pursuant to which an affiliate of Franco-Nevada will make available, subject to the satisfaction of the conditions precedent to any advance thereunder, to NewCo, as borrower, upon closing of the Acquisition, a US$100 million term loan facility (the "**Credit Facility**"), to be guaranteed by the Company, and any future subsidiary of the Company subject to certain exceptions, and, to the extent advanced, the Term Loan Agreement will be secured by, among other things, all assets of the Company and NewCo other than the Cordero Project, including, for avoidance of doubt, the Porcupine Complex and all of the shares of NewCo (collectively, the "**Franco-Nevada Financing Package**"). The Implementation Agreement provides for the closing conditions and closing deliverables that must be respectively, satisfied and delivered in order for funding to occur in respect of the Franco-Nevada Royalty Package. In addition, Tony Makuch, the Chief Executive Officer of the Company, and Murray John, the Chairman of the Company, have each entered into two-year lock-up agreements with Franco-Nevada.

The Repayable Royalty will be reduced to zero upon the earlier of Franco-Nevada receiving payments from production equal to 72,000 gold ounces or receipt by Franco-Nevada of a one-time early cash payment from Discovery (through NewCo, as payor), at Discovery's sole option, equal to a 12% (annual) pre-tax internal rate of return on US$100 million.

In connection with the Franco-Nevada Royalty Package, Discovery has agreed that if prior to the Acquisition Closing there is a change in applicable law or any interpretation thereof that would materially adversely impact the status of the Franco-Nevada Royalty Package as an interest in land, then at or after the Acquisition Closing, the parties shall work together to amend the Franco-Nevada Royalty Package or if that is not possible to achieve then Franco-Nevada shall be granted a first priority security interest over the Porcupine Complex to secure NewCo's obligations under and in connection with the Franco-Nevada Royalty Package, which security shall be subordinated in certain circumstances.

The Credit Facility will be made available to Discovery (through NewCo, as borrower) to fund capital expenditures and support working capital at the Porcupine Complex following completion of the Acquisition and subject to the satisfaction of the conditions precedent to any advance thereunder. The Credit Facility will be available to be drawn for the earlier of (i) two years following the Acquisition Closing, and (ii) the date that Discovery provides notice to exercise the repurchase option in respect of the Repayable Royalty in accordance with the terms of the Franco-Nevada Royalty Package, subject to the satisfaction of certain conditions precedent. Amounts drawn under the Credit Facility will accrue interest at a rate of three-month SOFR plus 450 basis points per annum. The maturity date of the Credit Facility will be seven years and one day from the Acquisition Closing, and no principal repayments will be required for the first five years after the Acquisition Closing followed by eight quarterly payments each equal to 5.0% of the balance outstanding. Any principal amount and any accrued and unpaid interest remaining outstanding on the maturity date will be due and payable on the maturity date. The Credit Facility will be secured by a first ranking security interest on, among other things, all present and after-acquired property of Discovery and NewCo, including, for the avoidance of doubt, the Porcupine Complex, all shares of NewCo and all after-acquired assets of Discovery and NewCo, including, for the avoidance of doubt, any additional mining projects and guaranteed by the Company and any future subsidiary of the Company subject to certain exceptions. The Company (through NewCo, as borrower) shall pay an upfront fee equal to 2% on any principal drawn and will pay a standby fee of 100 basis points per annum on undrawn funds for so long as the Credit Facility remains available to be drawn. The Credit Facility is intended to be used as a standby working capital facility following completion of the Acquisition and subject to the satisfaction of the conditions precedent to any advance thereunder. At the Acquisition Closing, the Company is expected to add a total of more than C$220 million (US$150 million) of cash to its balance sheet, with the US$100 million Credit Facility remaining undrawn.

In addition, pursuant to the Implementation Agreement and the Term Loan Agreement, the Company will issue to Franco-Nevada on the date on which the Term Loan Agreement is executed, 3,900,000 common share purchase warrants (the "**Franco Warrants**"). Each Franco Warrant will be exercisable into one Common Share at a price of C$0.95 for a period of three years following the date of issuance, provided, however, that in the event that the number of Common Shares to be acquired upon any exercise of the Franco Warrants would otherwise result in Franco-Nevada directly or indirectly having beneficial ownership of, or control or direction over, more than 9.9% of the issued and outstanding Common Shares, Franco-Nevada will receive cash exercise proceeds, calculated in accordance with the terms of the certificate representing the Franco Warrants, in lieu of Common Shares. The exercise price of the Franco Warrants is equal to the market price (within the meaning of the TSX Company Manual) of the Common Shares at the time of the announcement of the Acquisition.

The Offering

On February 3, 2025, the Company completed a bought deal public offering of 275,000,000 subscription receipts (the "**Subscription Receipts**") at an issue price of C$0.90 per Subscription Receipt for gross proceeds of C$247,500,000 (the "**Offering**"). BMO Capital Markets acted as sole bookrunner for the Offering, which was co-led by SCP Resource Finance LP and included a syndicate of underwriters consisting of CIBC World Markets Inc., Cormark Securities Inc., National Bank Financial Inc., Raymond James Ltd. and Ventum Financial Corp.

Each Subscription Receipt entitles the holder to receive, without payment of additional consideration and without further action, one Common Share upon the satisfaction or waiver of certain release conditions (the "**Release Conditions**").

The Subscription Receipts were offered by way of a prospectus supplement dated January 29, 2025 (the "**Prospectus Supplement**") to the short form base shelf prospectus dated March 23, 2023. The Prospectus Supplement, which provides the full terms related to the Subscription Receipts, was filed with the securities commissions or other similar regulatory authorities in each of the provinces and territories of Canada other than Québec and Nunavut, on January 29, 2025.

The gross proceeds from the sale of the Subscription Receipts, less 50% of the underwriters' fee that was payable on closing of the Offering, have been deposited and will be held in escrow by TSX Trust, as subscription receipt agent, pending the satisfaction or waiver of the Release Conditions. If the Release Conditions do not occur on or before 5:00 p.m. (Eastern time) on June 30, 2025, the Acquisition Agreement is terminated, or Discovery has announced to the public that it does not intend to proceed with the Acquisition, then an amount per Subscription Receipt equal to the full issue price therefor plus a *pro rata* share of any earned interest on such amount, net of any applicable withholding, will be returned to the holders of the Subscription Receipts.

The Subscription Receipts commenced trading on the Toronto Stock Exchange on February 3, 2025 under the trading symbol "DSV.R".

Information Concerning the Combined Company Following Completion of the Acquisition

For further information in respect of the Combined Company, see Schedule "C" – *"Information Concerning the Combined Company"* to this Circular.

Stock Exchange and Regulatory Approval

The Acquisition Closing is subject to certain conditions, including, among other things, the Reorganization (which will be subject to certain approvals, including the consent of Ontario's Ministry of Mines) pursuant to an asset purchase agreement (the "**Asset Purchase Agreement**") to be entered into between GCL and NewCo, and receipt of all required regulatory approvals (including the approval of the TSX and approval, or expiry of the waiting period, under the *Competition Act* (Canada)).

The Company has received conditional approval from the TSX for listing of the Consideration Shares and the other Acquisition Securities upon closing of the Acquisition.

Securities Law Matters

The Consideration Shares will be issued in reliance on exemptions from the prospectus and registration requirements of applicable Canadian securities laws and will not be subject to any restricted or hold period under applicable Canadian securities laws. The Franco Warrants and the Common Shares issuable upon exercise thereof will be issued in reliance on exemptions from prospectus and registration requirements of applicable Canadian securities laws, and each will be subject to a four-month and one day hold period commencing on the date of the issuance of the Franco Warrants in accordance with applicable Canadian securities laws.

As a reporting issuer, the Company is subject to MI 61-101, which regulates transactions which raise the potential for conflicts of interest, including issuer bids, insider bids, related party transactions and business combinations. The Acquisition does not constitute an issuer bid, insider bid or related party transaction. The Acquisition does not constitute a "business combination" for the purposes of MI 61-101 since no holder of an equity security of the Company will have its interest in such security terminated without consent pursuant to the Acquisition.

Required Shareholder Approval

In connection with the Acquisition: (i) the Consideration Shares issuable to GCL as partial consideration for the Purchase Price; and (ii) the issuance of the Common Shares upon the exercise of the Franco Warrants (which are issuable upon a concurrent private placement upon which the Acquisition is contingent or otherwise linked) (collectively, the "**Acquisition Securities**") will exceed 25% of the Company's issued and outstanding Common Shares on a pre-Acquisition, non-diluted basis (the "**Dilution Threshold**"). As such, the approval of the Company's shareholders is required under Section 611(c) of the TSX Company Manual for the issuance of such Acquisition Securities.

The Acquisition Securities consist of up to 119,716,667 Consideration Shares and 3,900,000 Common Shares issuable upon exercise of the Franco Warrants, representing approximately 30.9% of the issued and outstanding Common Shares prior to the announcement of the Acquisition.

Pursuant to the Acquisition Agreement, in the event that Shareholder approval is not obtained, the number of Consideration Shares to be issued to GCL on the Acquisition Closing shall be reduced to 94,512,921 Consideration Shares, and the first deferred cash payment payable to GCL on December 31, 2027 shall be increased from US$37.5 million to US$53,289,622 in which case, pursuant to the requirements of the TSX, the issuance of such lesser number of Consideration Shares will not be subject to approval by the Company's Shareholders because such issuance will not exceed the Dilution Threshold. Accordingly, the receipt of Shareholder approval is not a condition to closing the Acquisition.

It is the intention of the persons named in the form of proxy, if not expressly directed otherwise in such form of proxy, to vote such proxies **FOR** the Share Issuance Resolution. At the Meeting, the Shareholders will be asked to consider and, if deemed advisable, to pass, with or without variation, the Share Issuance Resolution to approve the issuance of the Acquisition Securities, the full text of which is as follows:

"BE IT RESOLVED AS AN ORDINARY RESOLUTION THAT:

1. Discovery Silver Corp. (the "**Company**") is hereby authorized to issue up to 123,616,667 common shares in the capital of the Company (the "**Common Shares**") in connection with the acquisition by the Company of 100% of the issued and outstanding common shares of Dome Mine Ltd. ("**Porcupine**") from Goldcorp Canada Ltd. ("**GCL**") in accordance with the terms of the share purchase agreement dated January 27, 2025 between the Company and GCL (as it may be amended, modified or supplemented, the "**SPA**"), and as more particularly described in the management information circular of the Company dated February 24, 2025.

2. The Common Shares to be issued pursuant to these resolutions shall consist of: (i) up to 119,716,667 Common Shares issuable to GCL pursuant to the SPA; and (ii) 3,900,000 Common Shares issuable upon the exercise of Company warrants to be issued by the Company to Franco-Nevada Corporation.

3. The Common Shares will, when issued, be validly issued as fully paid and non-assessable common shares in the capital of the Company and, where applicable, the registrar and transfer agent of the Company's Common Shares from time to time is hereby authorized upon receipt of a direction from any one director or officer of the Company to countersign and deliver certificates, or other evidence of issuance, in respect of the Common Shares.

4. Notwithstanding that this resolution has been passed by shareholders of the Company, the directors of the Company are hereby authorized and empowered, if they decide not to proceed with the aforementioned resolution, to revoke this resolution at any time prior to the closing date of the transaction, without further notice to or approval of the shareholders of the Company.

5. Any director or officer of the Company is hereby authorized, empowered and instructed, acting for, in the name and on behalf of the Company, to execute or cause to be executed, under the seal of the Company or otherwise, and to deliver or to cause to be delivered, all such other documents and to do or to cause to be done all such other acts and things as in such person's opinion may be necessary or desirable in order to carry out the intent of the foregoing paragraphs of these resolutions and the matters authorized thereby, such determination to be conclusively evidenced by the execution and delivery of such document or the doing of such act or thing."

A simple majority of the votes cast by the Shareholders at the Meeting in person or represented by proxy is required in order to pass the Share Issuance Resolution.

The Board unanimously recommends that Shareholders vote FOR the Share Issuance Resolution.

FAIRNESS OPINION

The Fairness Opinion was provided for the use of the Special Committee in considering the Acquisition, and may not be disclosed, referred or communicated to, or relied upon by, any third party without the prior written consent of CIBC. The complete text of the Fairness Opinion, which sets forth, among other things, the assumptions made, information received, and matters considered in rendering the Fairness Opinion, as well as the limitations and qualifications to which the opinion is subject, is attached to this Circular as Schedule "D". **The Fairness Opinion addresses only the fairness of the consideration to be paid by Discovery pursuant to the Acquisition Agreement from a financial point of view and is not and should not be construed as a valuation of Discovery or any of its assets or securities (under MI 61-101 or otherwise) or a recommendation to any Shareholder as to whether to vote in favour of the Share Issuance Resolution. The Fairness Opinion is not intended to be and does not constitute a recommendation to the Special Committee as to any decision with respect to the Acquisition, nor as an opinion concerning the trading price or value of any securities of Discovery at any time, including following the announcement, completion or termination of the Acquisition. Shareholders are urged to, and should, read the Fairness Opinions in its entirety. The summary of the Fairness Opinion described in this Circular is qualified in its entirety by reference to the full text of the Fairness Opinions. The Fairness Opinion was one of a number of factors taken into consideration by the Special Committee and the Board of Directors in making their unanimous determinations that the consideration is fair to the Company and is in the best interests of the Company and to recommend that Shareholders pass the Share Issuance Resolution.**

Engagement of CIBC

CIBC was formally engaged by the Special Committee on January 26, 2025, to act as financial advisor to the Special Committee in connection with the Acquisition, including, among other things, providing the Fairness Opinion.

Compensation Paid to CIBC

CIBC received a fixed fee in connection with its engagement. In addition, CIBC is to be reimbursed for its reasonable out-of-pocket expenses and is to be indemnified by the Company in the manner set forth in the indemnity that forms part of its engagement letter. No portion of CIBC's fee is contingent upon either the conclusion expressed in the Fairness Opinion or whether or not the Acquisition is successfully consummated.

In the ordinary course of its business and in respect of the Acquisition, Canadian Imperial Bank of Commerce or an affiliate thereof has acted as an underwriter to obtain financing in the equity capital markets for the Company in connection with the Acquisition.

Independence of CIBC

Neither CIBC nor any of its associates is an insider, associate or affiliated entity (as those or similar terms are used in MI 61-101) of the Company or any related party (as defined in MI 61-101) thereof. Neither CIBC nor any of its associates is the independent auditor or is an affiliated entity of the independent auditor of the Company.

There exists no past or present relationship between CIBC and the Company, nor is any future relationship anticipated, that could be relevant to a perception of lack of independence. CIBC has advised Discovery that, as at the date of the Fairness Opinion (January 26, 2025), CIBC owned no outstanding Common Shares of the Company.

Fairness Conclusion

On January 26, 2025, the Special Committee received the oral opinion of CIBC to the effect that, based on its scope of review and subject to the assumptions, limitations and qualifications noted in the Fairness Opinion, CIBC is of the opinion that, as of the date of the Fairness Opinion, the consideration to be paid by Discovery pursuant to the Acquisition Agreement is fair, from a financial point of view, to the Company. The oral opinion was subsequently confirmed by delivery of the written Fairness Opinion. The Special Committee reviewed and accepted the Fairness Opinion.

SUPPORT AND VOTING AGREEMENTS

The following summarizes material provisions of the Support and Voting Agreements. This summary may not contain all information about the Support and Voting Agreements that is important to the Shareholders. The rights and obligations of the parties thereto are governed by the express terms and conditions of the Support and Voting Agreements and not by this summary or any other information contained in this Circular.

The Locked-up Shareholders have entered into the Support and Voting Agreements pursuant to which they have agreed to vote in favour of the Share Issuance Resolution. As of the Record Date, the Locked-up Shareholders held or controlled approximately 35% of the outstanding Common Shares.

Pursuant to the Support and Voting Agreements, each Locked-up Shareholder has agreed, solely in their capacity as Shareholders and not in their capacity as an officer or director of Discovery, subject to the terms of the Support and Voting Agreements, among other things: (i) to vote their Subject Securities (as defined in the Support and Voting Agreements) in favour of the approval of the Share Issuance Resolution, the Acquisition and any other matter necessary for the consummation of the Acquisition or any other transaction contemplated by the Acquisition Agreement; (ii) to vote their Subject Securities against any action, proposal, transaction or agreement that could reasonably be expected to (A) result in a breach of any covenant, representation or warranty or any other obligation or agreement (including, without limitation, any amendment of any agreement) of the Locked-Up Shareholder under the Support and Voting Agreements or (B) impede, prevent, frustrate, interfere with, delay, discourage, adversely affect or inhibit the timely consummation of the Acquisition (the "**Prohibited Matters**"); (iii) not to directly or indirectly sell, transfer, assign, grant a participation interest in, option, pledge, hypothecate, grant a security interest in or otherwise convey or encumber (each, a "**Transfer**"), or enter into any agreement, option or other arrangement with respect to the Transfer of, any of its Subject Securities to any person or grant any proxies or power of attorney, deposit any of its Subject Securities into any voting trust or enter into any voting arrangement, whether by proxy, voting agreement or otherwise, with respect to its Subject Securities; (iv) cooperate with the Company and GCL to successfully complete the Acquisition and the other transactions contemplated by the Acquisition Agreement and to oppose any Prohibited Matter.

The Support and Voting Agreements signed by the Locked-up Shareholders shall terminate and be of no further force and effect upon the earlier of: (a) the termination of the Acquisition Agreement in accordance with its terms; (b) the mutual written agreement of the Company, GCL and the Locked-up Shareholder; (c) written notice by the Company or GCL if any representation or warranty of the Locked-up Shareholder under the Support and Voting Agreement is not true and correct in all material respects, or the Locked-up Shareholder has not complied with its covenants in the Support and Voting Agreement in all material respects; or (d) the closing of the Acquisition.

INFORMATION CONCERNING THE COMPANY

The Company was incorporated under the *Company Act* (British Columbia) on October 10, 1986. On April 13, 2021, the Company's name was changed to "Discovery Silver Corp." The Company exists under the BCBCA.

The Company is a reporting issuer in each of the provinces and territories of Canada. The Common Shares are listed on the TSX under the symbol "DSV", and the Subscription Receipts are listed on the TSX under the symbol "DSV.R".

The Company's registered office is located at Suite 2200, 885 West Georgia Street, Vancouver, British Columbia, V6C 3E8. The Company's corporate head office is located at Suite 701, 55 University Avenue, Toronto, Ontario, M5J 2H7.

For further information regarding the Company, see Schedule "A" to this Circular, *"Information Concerning the Company"*.

INFORMATION CONCERNING NEWCO

NewCo is a private Canadian company incorporated under the BCBCA on February 7, 2025, under the name "Dome Mine Ltd." NewCo is a wholly owned subsidiary of GCL which, in turn, is an indirect wholly owned subsidiary of Newmont.

For further information regarding NewCo, see Schedule "B" to this Circular, *"Information Concerning NewCo"*.

INFORMATION CONCERNING GCL

GCL is a private Canadian company incorporated under the federal laws of Canada, which owns the Porcupine Complex. GCL is a wholly owned subsidiary of Goldcorp Inc., which is a wholly owned subsidiary of Newmont. In 2019, Newmont acquired GCL and all its properties through Newmont's acquisition of Goldcorp Inc.

RISK FACTORS

Risk Factors Related to the Acquisition

Closing of the Acquisition

The Acquisition Closing is subject to the satisfaction of certain closing conditions, including the receipt of required regulatory approvals. See *"Risk Factors – Risk Factors Related to the Acquisition – Regulatory Risk"*. There is no certainty, nor can Discovery provide any assurance, that these conditions will be satisfied or, if satisfied, when they will be satisfied. A substantial delay in obtaining regulatory approvals or the imposition of unfavourable terms or conditions in the approvals could have a material adverse effect on Discovery's ability to complete the Acquisition and on Discovery's business, financial condition, results of operations or cash flows. See *"Matters to be Considered at the Meeting – General Description of the Acquisition Agreement – Closing Conditions"*. The Company intends to consummate the Acquisition as soon as practicable after obtaining the required regulatory approvals and satisfying the required closing conditions.

Franco-Nevada Royalty Package

Discovery's ability to complete the transactions contemplated under the Implementation Agreement is subject to certain customary conditions that Discovery must satisfy. If Discovery is unable to satisfy one or more of those conditions and such conditions are not waived, Discovery will not be able to receive amounts under the Franco-Nevada Royalty Package to fund the Acquisition. If Discovery cannot obtain the funds under the Franco-Nevada Royalty Package, Discovery may not have the cash necessary to fund the cash portion of the Purchase Price and close the Acquisition, and GCL will, in certain circumstances, have the right to terminate the Acquisition Agreement. In addition, while it is possible that alternative sources of financing may not be available, alternative sources, if available, may be on terms that are less favourable than the terms of the Franco-Nevada Royalty Package. See *"Matters to be*

Considered at the Meeting – General Description of the Acquisition Agreement – Covenants of the Parties – Acquisition Financing".

Potential Dispute with First Nations Community Could Have Adverse Consequences Following the Acquisition Closing

In November 2024, the Taykwa Tagamou Nation ("**TTN**") filed a Statement of Claim against His Majesty the King in Right of Ontario represented by the Ministry of Northern Development, Mines, Natural Resources ("**Ministry of Mines**") and the Ministry of Environment, Conservation and Parks (the "**Ministry of the Environment**"), GCL, and Newmont, claiming the Crown failed to protect TTN's lands and way of life from the impacts of mining in the Treaty No. 9 area, particularly, the Ministry of Mines and Ministry of Environment issued ten authorizations (the "**Authorizations**") enabling GCL to resume open pit mining at the Pamour mine after 15 years of closure without consulting TTN or considering the impacts to TTN's Treaty rights (the "**TTN Litigation**"). Further, the Ministry of Mines accepted GCL's Closure Plan Amendment for filing, allowing the Pamour mine to reopen without consulting TTN, which TTN alleges breached the Mining Act and section 35 of the Constitution Act. In the Statement of Claim, TTN sought certain relief including staying activities under the Authorizations issued to GCL until the action in the Statement of Claim is heard, a declaration the Crown breached its constitutional duty to meaningful consult and accommodate TTN respecting the Authorizations and the Crown violated Treaty No. 9 by issuing the Authorizations, quashing certain of the Authorizations, requiring the Crown to cooperate with TTN on various matters and seeking certain damages. TTN had previously brought an application for Judicial Review in July 2023 requesting relief respecting three of the mining exploration permits issued to GCL. In January 2025, Newmont and GCL filed a Notice of Intent to Defend with respect to this action. His Majesty the King in Right of Ontario also filed a Notice of Intent to Defend in November 2024. The Company believes this claim is without merit.

The outcome of this claim is uncertain and could result in delays, additional costs, or modifications to the Pamour mine, difficulty in obtaining financing and permits and difficulty in community relations. This claim, depending upon its pendency and resolution, may give rise to material adverse effects on the Company's financial condition, operations, and prospects following the Acquisition Closing.

Unexpected Liabilities Related to the Acquisition

In connection with the Acquisition, there may be liabilities including environmental liabilities associated with the Porcupine Complex that the Company failed to discover or was unable to quantify in the due diligence which it conducted in connection with the Acquisition and the Company may not be indemnified for some or all of these liabilities. Following the Acquisition, the Company may discover that it has acquired substantial undisclosed liabilities. The discovery of any material liabilities, or the inability to obtain full indemnification for such liabilities, could have a material adverse effect on the Company's business, financial condition or future prospects. While the Company has estimated these potential liabilities for the purposes of making its decision to enter into the Acquisition Agreement, there can be no assurance that any resulting liability including environmental liabilities will not exceed the Company's estimates.

In addition, the Company may be unable to retain the Porcupine Employees following the Acquisition. The continuing and collaborative efforts of the Porcupine Employees are important to its success and its business would be harmed if it were to lose their services.

The existence of undisclosed liabilities and the Company's inability to retain the Porcupine Employees could have an adverse impact on the Company's business, financial condition and results of operations.

Nature of Acquisition

Acquisitions of mineral properties are based in large part on engineering, environmental and economic assessments made by the acquiror, independent engineers and consultants. These assessments include a series of assumptions regarding such factors as operational performance, status of and impact of policy, legislation and regulations and effective tax rates. Many of these factors are subject to change and are beyond Discovery's control. All such assessments involve a measure of engineering, environmental and regulatory uncertainty that could result in lower revenue or higher operating or capital expenditures than anticipated.

Information Provided by GCL

Information related to the Porcupine Complex in this Circular is based on information provided by GCL. Although the Company has conducted what it believes to be a prudent and thorough level of investigation with respect to the Porcupine Complex in connection with the Acquisition, a certain degree of risk remains regarding the accuracy and completeness of such information. While the Company has no reason to believe the information obtained from GCL is misleading, untrue or incomplete, the Company cannot assure the accuracy or completeness of such information, nor can the Company compel GCL to disclose events which may have occurred or may affect the completeness or accuracy of such information, but which are unknown to the Company.

Pro Forma Financial Information may not be Indicative of Discovery's Financial Condition or Results Following the Acquisition

The unaudited pro forma consolidated financial information contained in this Circular is presented for illustrative purposes only as of its respective dates and may not be indicative of the financial condition, results of operations or cash flows of Discovery following completion of the Acquisition. The unaudited pro forma consolidated financial information has been derived from the respective historical financial statements of Discovery and combined financial statements in respect of the Porcupine Complex, and certain adjustments and assumptions have been made to give effect to the Acquisition and related transactions. The information upon which such adjustments and assumptions have been made is preliminary and adjustments and assumptions of this nature are difficult to make with complete accuracy. Moreover, the unaudited pro forma consolidated financial information does not include, among other things, estimated synergies or adjustments related to restructuring or integration activities in connection with the Acquisition, or future acquisitions or disposals not yet known or probable. Actual amounts recorded upon the finalization of the Purchase Price allocation pursuant to the Acquisition Agreement may differ from the amounts reflected in the Discovery Pro Forma Financial Statements. Additionally, the unaudited pro forma consolidated financial information may not reflect all of the costs that are expected to be incurred by the Company in connection with the Acquisition. Accordingly, the unaudited pro forma consolidated financial information contained in this Circular is presented for informational purposes only and Discovery's assets, results of operations and financial condition following the Acquisition may differ significantly from those indicated in the unaudited pro forma consolidated financial information.

Regulatory Risk

The Acquisition is conditional upon, among other things, (i) TSX approval, (ii) the completion of the Reorganization (which will be subject to certain approvals, including the consent of Ontario's Ministry of Mines), and (iii) the approval, or expiry of the waiting period, under the *Competition Act* (Canada). A substantial delay in obtaining satisfactory approvals or the imposition of unfavourable terms or conditions in the approvals could have a material adverse effect on Discovery's ability to complete the Acquisition and on Discovery's business, financial condition, results of operations or cash flows, or on the Porcupine Complex. See *"Matters to be Considered at the Meeting – General Description of the Acquisition Agreement – Closing Conditions"*.

Exchange Rate Risk

As Discovery anticipates funding a portion of the cash Purchase Price of the Acquisition from the net proceeds of the Offering, which Discovery will receive in Canadian dollars, and the cash portion of the Purchase Price of the Acquisition is denominated in U.S. dollars, a significant decline in the value of the Canadian dollar relative to the U.S. dollar could increase the cost to Discovery of funding the cash Purchase Price of the Acquisition.

Failure to Realize Acquisition Benefits

As described in *"Matters to be Considered at the Meeting – Reasons for the Recommendations of the Special Committee and the Board"*, the Company believes that the Acquisition will be beneficial. However, there is a risk that some or all of the expected benefits of the Acquisition may fail to materialize or may not occur within the time periods that Discovery anticipates. The realization of such benefits may be affected by a number of factors, many of which are beyond the control of the Company.

Moreover, a variety of factors, including those risk factors set forth in the Circular, may adversely affect the Company's ability to achieve the anticipated benefits of the Acquisition.

Integration of the Porcupine Complex

Although the Company expects to realize certain benefits as a result of the Acquisition, there is a possibility that, following the Acquisition, the Company is unable to successfully integrate the Porcupine Complex into its operations in order to realize the anticipated benefits of the Acquisition or may be unable to do so within the anticipated timeframe.

The Company expects to implement certain operational improvements and cost-savings initiatives following the completion of the Acquisition. Any cost-savings that the Company realizes from such efforts may differ materially from the Company's estimates. In addition, any cost-savings that the Company realizes may be offset, in whole or in part, by reductions in revenues or through increases in other expenses. The Company's operational improvements and cost-savings plans are subject to numerous risks and uncertainties that may change at any time.

To effectively integrate the Porcupine Complex into its current operations, Discovery must establish appropriate operational, administrative, finance, and management systems and control functions relating to Porcupine. These efforts, together with the ongoing integration following the Acquisition, will require substantial attention from Discovery's management. This diversion of management attention, as well as any other difficulties which Discovery may encounter in completing the Acquisition and integration process, could have an adverse effect on Discovery's business, financial condition, results of operations and cash flows. There can be no assurance that Discovery will be successful in integrating the Porcupine Complex or that the expected benefits of the Acquisition will be realized.

Discovery Will Rely on GCL Following Completion of the Acquisition for Certain Services

In connection with the Acquisition, Discovery and GCL agreed to enter into the Transition Services Agreement upon the closing of the Acquisition pursuant to which GCL has agreed to provide, or cause its affiliates to provide, certain services to Discovery that are required for the operation of the Porcupine Complex in a similar manner as the Porcupine Complex was operated immediately prior to the Acquisition Closing. See *"Matters to be Considered at the Meeting – Ancillary Agreements"*. As a result, Discovery will be reliant on GCL's personnel, good faith, contractual compliance, expertise and judgment in providing the services under the Transition Services Agreement, where the Company's ability to manage operational risks may be limited. Accordingly, Discovery may be exposed to adverse developments in the business and affairs of GCL, its management and to its financial strength.

There can be no assurance that the services provided by GCL pursuant to the Transition Services Agreement will be adequate for the Company to operate the Porcupine Complex and facilitate the efficient and effective transition of business operations as currently contemplated, or at all. If GCL does not perform the services under the Transition Services Agreement as currently contemplated, the operations and financial performance of the Porcupine Complex may be negatively affected, which could have a material adverse effect on the business, financial condition and future performance of the Company. If, after the expiration of the Transition Services Agreement, the Company is unable to perform these services or replace them in a timely manner or on terms and conditions as favorable as those under the Transition Services Agreement, the Company may experience operational problems and an increase in its costs.

Failure by GCL to meet its obligations under the Transition Services Agreement could have a material adverse effect on the operation of the Porcupine Complex, which could in turn have a material adverse effect on the business, financial condition and future performance of the Company.

Litigation and Public Attitude towards the Acquisition

The Company may be exposed to increased litigation from shareholders or other third-parties in connection with the Acquisition. Such litigation may have an adverse impact on the Company's business and results of operations or may cause disruptions to the Company's operations. Even if any such claims are without merit, defending against these claims can result in substantial costs and divert the time and resources of management.

Furthermore, public attitudes towards the Acquisition could result in negative press coverage and other adverse public statements affecting the Company. Adverse press coverage and other adverse statements could negatively impact the ability of the Company to achieve the benefits of the Acquisition or take advantage of various business and market opportunities. The direct and indirect effects of negative publicity, and the demands of responding to and addressing it, may have a material adverse effect on the Company's business, financial condition, results of operations and cash flows.

Acquisition and Related Costs

The Company expects to incur significant costs associated with completing the Acquisition and integrating the operations of Discovery and the Porcupine Complex. The substantial majority of such costs will be non-recurring expenses resulting from the Acquisition and will consist of transaction costs related to the Acquisition. Additional unanticipated costs may be incurred in the integration of Porcupine into Discovery's existing business and such costs, if incurred, may have a negative effect on the Company's business, operations and financial performance and cash flows.

Increased Indebtedness

In financing the Acquisition, Discovery may incur additional debt under the Credit Facility. See "*Matters to be Considered at the Meeting – Financing the Acquisition – The Franco-Nevada Financing Package*". Such borrowing, to the extent incurred, would increase Discovery's consolidated indebtedness. Such additional indebtedness will increase Discovery's interest expense and debt service obligations and may have a negative effect on Discovery's results of operations and/or credit ratings. Such increased indebtedness may also make Discovery's results more sensitive to increases in interest rates. Discovery's degree of leverage could have other important consequences for purchasers, including: (i) having a negative effect on Discovery's issuer debt rating; (ii) it may limit Discovery's ability to obtain additional financing for working capital, capital expenditures, debt service requirements, acquisitions and general corporate or other purposes; (iii) it may limit Discovery's ability to declare dividends on the Common Shares; (iv) Discovery may be vulnerable in a downturn in general economic conditions; and (v) Discovery may be unable to make capital expenditures that are important to its growth and strategies.

Historical Financial Information

The historical financial information relating to the Porcupine Complex included in this Circular, including such information used to prepare the Discovery Pro Forma Financial Statements, has been derived on a historical basis from the historical accounting records of GCL. The historical financial information may not reflect what the operating results of the Porcupine Complex would have been had the Company owned the Porcupine Complex during the period presented or what the Company's financial position, results of operations or cash flows will be in the future. The historical financial information does not contain any adjustments to reflect changes that may occur in the Company's cost structure, financing and operations as a result of the Acquisition.

Risk of Default in the Repayment of Borrowing under the Franco-Nevada Financing Package

The Company has secured the Franco-Nevada Financing Package which includes debt financing pursuant to the Credit Facility (see *"Matters to be Considered at the Meeting – Financing the Acquisition – The Franco-Nevada Financing Package"*). In the event Discovery draws on the Credit Facility, Discovery may repay all or a portion of such borrowings using proceeds from the issuance of additional securities. If Discovery is unable to raise sufficient proceeds from such intended sale of such securities on terms acceptable to Discovery, its ability to repay borrowings under the Credit Facility could be adversely affected. In the event Discovery is unable to refinance borrowings it may incur under the Credit Facility in the manner Discovery intends, Discovery may be required to utilize other sources of liquidity including cash on hand, cash from operating activities or other borrowings. Discovery may also be required to seek extensions to or modifications of the terms of the Credit Facility in order to defer the maturity dates of any borrowings incurred thereunder. Depending upon credit market conditions at the time when borrowings, if any, are due for repayment, and Discovery's own financial performance at that time, Discovery may be unable to obtain extensions or modifications of the terms of the Credit Facility on terms satisfactory to Discovery, or at all, which could result in Discovery defaulting on its repayment obligations under the Credit Facility and being subject to various remedies available to Franco-Nevada thereunder including realizing on the security (which includes, subject to limited exceptions, all asset security from Discovery and NewCo, including the Porcupine Complex) and other remedies available under applicable bankruptcy and insolvency legislation.

Drawdowns Under the Term Loan Agreement are Subject to a Number of Conditions

The ability of Discovery to borrow and obtain an advance under the Term Loan Agreement is subject to the satisfaction of conditions precedent by NewCo and Discovery which may be outside of the control of Discovery to satisfy. For the initial advance, such conditions include, but are not limited to, the lender under the Term Loan Agreement being satisfied with a mine plan, and financial model, including demonstrating compliance with financial covenants, and technical reports for the Porcupine Complex, the mine plan for the Porcupine Complex being fully funded to the satisfaction of Franco-Nevada, review and due diligence on disclosure schedules to the Term Loan Agreement, provision by Discovery and NewCo of the required security and opinions, including title opinions on the Porcupine Complex, no events having occurred that would individually or in the aggregate have had or could reasonably have a material adverse effect, no default or event of default occurring, among other conditions. For all advances, in addition to the conditions for the initial advance, certain additional customary conditions precedent must be satisfied. The ability of NewCo to receive and access funds under the Term Loan Agreement is contingent on its ability to satisfy the required conditions to advance.

Dilution of Shareholders

If the Acquisition is completed, the Company will issue approximately 398,616,667 Common Shares, including the Acquisition Securities and the Common Shares issuable upon exchange of the Subscription Receipts, representing approximately 99.5% of the issued and outstanding Common Shares prior to the announcement of the Acquisition. As a result, the current Shareholders as a group will have less influence over the management and policies of the Combined Company than they currently exercise.

The Market Price of Common Shares may be Materially Adversely Affected

If, for any reason, the Acquisition is not completed or its completion is materially delayed and/or the Acquisition Agreement is terminated, the market price of the Common Shares may be materially adversely affected. The trading price of the Common Shares may be subject to material fluctuations and may increase or decrease in response to a number of events and factors, including: (a) changes in the market price of gold; (b) current events affecting the economic situation in Canada and internationally; (c) trends in the global precious metals industry; (d) regulatory and/or government actions, rulings or policies; (e) changes in financial estimates and recommendations by securities analysts or rating agencies; (f) acquisitions and financings; (g) the economics of current and future projects of Discovery; (h) quarterly variations in operating results; and (i) the operating and share price performance of other companies, including those that investors may consider to be comparable.

There are Certain Costs Related to the Acquisition that must be Paid even if the Acquisition is not Completed

There are certain significant costs related to the Acquisition, such as those for legal, financial and accounting advisory services and producing this Circular, that must be paid even if the Acquisition is not completed. These costs may have an adverse impact on Discovery's financial position, whether or not any benefit is obtained by Discovery from the Acquisition.

The Acquisition Agreement may be Terminated in Certain Circumstances

Each of Discovery and GCL has the right to terminate the Acquisition Agreement in certain circumstances and, if such right is exercised, the Acquisition will not be completed. Accordingly, there is no certainty, nor can Discovery provide any assurance, that the Acquisition Agreement will not be terminated by either Discovery or GCL before the completion of the Acquisition. If the Acquisition is not completed and Discovery decides to seek another transaction, there can be no assurance that it will be able to find an asset or target company for acquisition at an equivalent or more attractive price than the Acquisition.

Risk Factors Related to the Company

Whether or not the Acquisition is completed, the Company will continue to face many of the risks that it currently faces with respect to its business and affairs. A description of the risk factors applicable to the Company is contained under the heading *"Risk Factors"* in the Company AIF and in the Company's other filings with securities authorities.

ADDITIONAL MATTERS

Other Business

Management of the Company knows of no matters to come before the Meeting other than those referred to in the notice of Meeting accompanying this Circular. However, if any other matters properly come before the Meeting, it is the intention of the management proxyholders to vote on the same in accordance with their best judgment on such matters.

Indebtedness of Directors and Executive Officers

None of the Company's directors or executive officers, nor any associate of such director or executive officer is as at the date hereof, or has been, during the year ended December 31, 2024, indebted to the Company or any of its subsidiaries in connection with a purchase of securities or otherwise. In addition, no indebtedness of these individuals to another entity has been the subject of a guarantee, support agreement, letter of credit, or similar arrangement or understanding of the Company or any of its subsidiaries.

Interest of Informed Persons in Material Transactions

To the knowledge of the Company, other than as publicly disclosed, no informed person of the Company, nominee for election as a director of the Company, or any associate or affiliate of an informed person or nominee, has had any material interest, direct or indirect, in any transaction involving the Company, or in any proposed transaction which has materially affected or would materially affect the Company or its subsidiaries since January 1, 2024 and to the date Record Date.

ADDITIONAL INFORMATION

Additional information relating to the Company may be found under the Company's profile on SEDAR+ at www.sedarplus.ca. Additional financial information is provided in the Company's audited consolidated financial statements for the year ended December 31, 2023, and accompanying MD&A, which can be found under the Company's profile on SEDAR+ at www.sedarplus.ca or on the Company's website at www.discoverysilver.com. Shareholders may also request copies of these documents from the Chief Financial Officer by phone at 416-613-9410 or by email at info@discoverysilver.com.

APPROVAL

The contents and sending of this Circular have been approved by the Board. The accompanying Notice of Meeting and this Circular have been sent to each director of the Company, each Shareholder entitled to notice of the Meeting and the auditors of the Company.

DATED this 24th day of February, 2025.

BY ORDER OF THE BOARD OF DIRECTORS

(signed) *"Murray John"*

Murray John
Chair of the Board

CONSENT OF CIBC WORLD MARKETS INC.

To: The Special Committee of the Board of Directors of Discovery Gold Corp. ("**Discovery**")

We refer to the management information circular (the "**Circular**") of Discovery dated February 24, 2025 relating to the special meeting of shareholders of Discovery to approve, among other things, a resolution approving the issuance of certain common shares of the Company in connection with the Acquisition, as defined in the Circular.

We consent to the inclusion in the Circular of our fairness opinion dated January 26, 2025 to the special committee of the board of directors of Discovery (the "**Special Committee**") as Schedule "D" in the Circular and we hereby consent to the references to our firm name and to the reference to our fairness opinion in the Circular. Our fairness opinion was given as of January 26, 2025 and remains subject to the assumptions, qualifications and limitations contained therein. In providing our consent, we do not intend that any person other than the Special Committee shall be entitled to rely on our opinion.

DATED this 24th day of February, 2025.

(signed) "*CIBC World Markets Inc.*"

CIBC WORLD MARKETS INC.

SCHEDULE "A"
INFORMATION CONCERNING THE COMPANY

The following information about the Company should be read in conjunction with the documents incorporated by reference into this Schedule "A" and the information concerning the Company appearing elsewhere in this Circular. Capitalized terms used but not otherwise defined in this Schedule "A" shall have the meaning ascribed to them in this Circular.

Overview

The Company was incorporated under the *Company Act* (British Columbia) on October 10, 1986. On April 13, 2021, the Company's name was changed to "Discovery Silver Corp." The Company exists under the BCBCA.

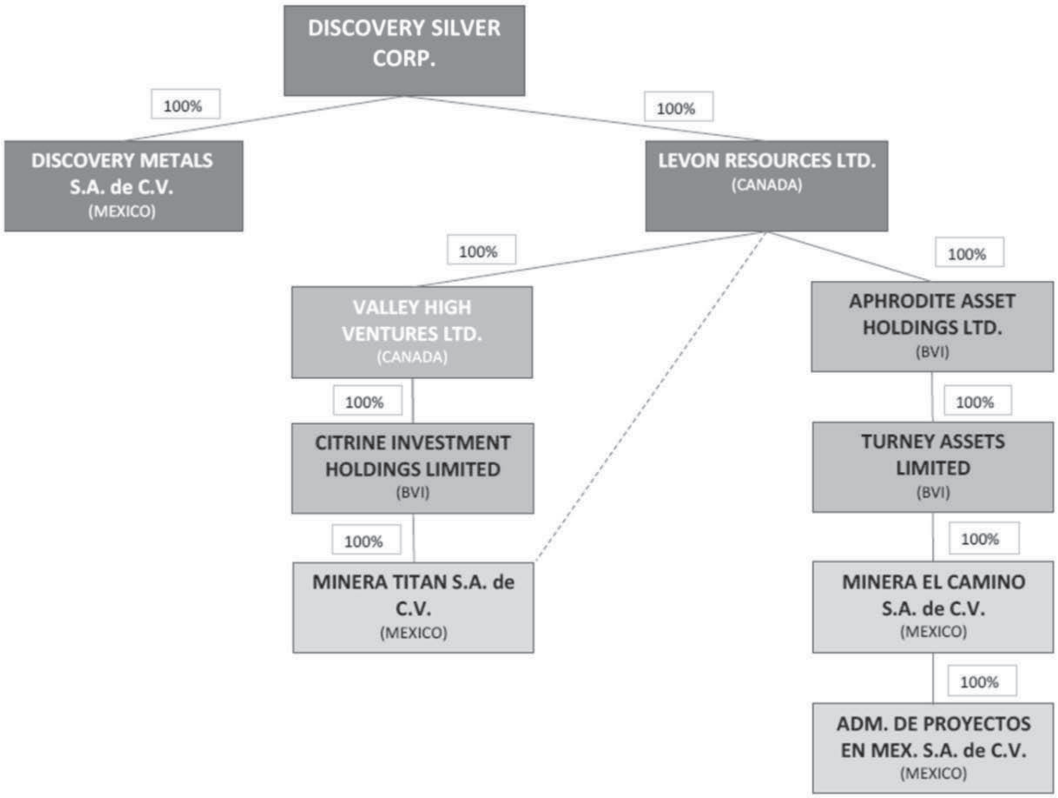
The Company is a reporting issuer in each of the provinces and territories of Canada. The Common Shares are listed on the TSX under the symbol "DSV", and the Subscription Receipts are listed on the TSX under the symbol "DSV.R".

The Company's registered office is located at Suite 2200, 885 West Georgia Street, Vancouver, British Columbia, V6C 3E8. The Company's corporate head office is located at Suite 701, 55 University Avenue, Toronto, Ontario, M5J 2H7.

The Company is principally engaged in the acquisition and exploration of mineral properties, or interests in companies controlling mineral properties, which feature strong grades, meaningful size, and access to existing infrastructure in mining-friendly jurisdictions.

The Company's technical and management team are currently focused on advancing one project with strong exploration and production potential in northern Mexico: the Cordero Project, which is considered the Company's material property.

A significant portion of the Company's business is carried on through its various subsidiaries. The following chart illustrates, as at the date of this Circular, the Company's subsidiaries, including their respective places of incorporation and the percentage of voting securities in each that are held by the Company either directly or indirectly.



For a further description of the business of the Company, see the sections entitled *"Corporate Structure"*, *"General Development Of The Business"* and *"Description Of The Business "* in the Company AIF. For further information regarding the Company, refer to its filings with the Canadian Securities Regulators which may be obtained under the Company's issuer profile on SEDAR+ at www.sedarplus.ca.

For additional information relating to the Company following the completion of the Acquisition and the risk factors relating to the Acquisition, see *"Risk Factors"* and Schedule "C" – *"Information Concerning the Combined Company"* attached to this Circular.

Recent Developments

On April 1, 2024, the Company announced that it filed the Cordero Technical Report. The Cordero Technical Report was authored by Ausenco Engineering Canada ULC, with support from AGP Mining Consultants Inc., WSP USA Environment and Infrastructure Inc. and RedDot3D Inc.

On June 5, 2024, the Company announced the appointment of Mark Utting as VP Investor Relations.

On June 14, 2024, the Company announced the engagement of ICP Securities Inc. for automated market making services.

On January 27, 2025, Discovery announced that it entered into the Acquisition Agreement to indirectly acquire the Porcupine Complex from GCL, a wholly owned subsidiary of Newmont. In connection with the Acquisition, the Company announced that it has entered into an Implementation Agreement with Franco-Nevada in respect of the Franco-Nevada Financing Package. See *"Matters to be Considered at the Meeting – General Description of the Acquisition Agreement"* and *"Matters to be Considered at the Meeting – Financing the Acquisition – The Franco-Nevada Financing Package"*.

On February 3, 2025, the Company announced that it closed the bought deal public Offering of 275,000,000 Subscription Receipts of the Company at a price of C$0.90 per Subscription Receipt for aggregate gross proceeds of C$247,500,000.

Documents Incorporated by Reference

Information regarding the Company has been incorporated by reference in this Circular from documents filed by the Company with the securities commissions or similar securities regulatory authorities in each of the applicable provinces and territories of Canada (the "**Canadian Securities Regulators**"). Copies of the documents incorporated by reference in this Circular may be obtained on request without charge from the Chief Financial Officer of Discovery Silver Corp. at 701-55 University Avenue, Toronto, Ontario, M5J 2H7, telephone 416.613.9410, and are also available electronically at www.sedarplus.ca. The filings of the Company through SEDAR+ are not incorporated by reference in this Circular except as specifically set out herein.

The following documents, filed by the Company with the Canadian Securities Regulators, are specifically incorporated by reference into, and form a part of, this Circular:

- the Company AIF;
- the Company Annual Financial Statements;
- Company Annual MD&A;
- the unaudited condensed interim consolidated financial statements of Discovery as at and for the three and nine months ended September 30, 2024 and 2023, together with the notes thereto (the "**Q3 2024 Financial Statements**");
- the management's discussion and analysis of Discovery dated November 12, 2024 (the "**Q3 2024 MD&A**") for the three and nine months ended September 30, 2024 and 2023;
- the information circular of Discovery dated April 5, 2024 relating to the annual meeting of shareholders of Discovery held on May 15, 2024;
- the material change report of Discovery dated January 31, 2025; and
- the material change report of Discovery dated February 5, 2025.

Any statement contained in this Schedule "A" or in any document incorporated or deemed to be incorporated by reference in this Schedule "A" will be deemed to be modified or superseded for the purposes of this Schedule "A" to the extent that a statement contained in this Schedule "A" or in any other subsequently filed document which also is, or is deemed to be, incorporated by reference in this Schedule "A" modifies or supersedes such statement. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document that it modifies or supersedes. The making of a modifying or superseding statement will not be deemed an admission for any purposes that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made. Any statement so modified or superseded will not be deemed, except as so modified or superseded, to constitute a part of this Schedule "A". Information contained in or otherwise accessed through the Company's website (www.discoverysilver.com), or any other website, does not form part of this Circular. All such references to the Company's website are inactive textual references only.

Description of Share Capital

The Company is authorized to issue an unlimited number of Common Shares, of which there were 400,461,244 Common Shares issued and outstanding as of the Record Date. See *"Description of Capital Structure"* in the Company AIF.

Common Shares

Holders of Common Shares are entitled to receive notice of any meetings of Shareholders and to attend and to cast one vote per Common Share at all such meetings. Shareholders are entitled to receive on a *pro rata* basis such dividends, if any, as and when declared by the Board at its discretion from funds legally available therefor, and, upon the liquidation, dissolution, or winding up of the Company, are entitled to receive on a *pro rata* basis the net assets of the Company after payment of debts and other liabilities, in each case subject to the rights, privileges, restrictions, and conditions attaching to any other series or class of shares ranking senior in priority to or on a *pro rata* basis with the holders of Common Shares with respect to dividends or liquidation. The Common Shares do not carry any pre-emptive, subscription, redemption, retraction, surrender, or conversion or exchange rights, nor do they contain any sinking or purchase fund provisions.

Trading Price and Volume

The Common Shares are listed and posted for trading on the TSX under the symbol "DSV". The following table sets forth information relating to the monthly trading of the Common Shares on the TSX, for the 12-month period preceding the date of this Circular.

	Monthly High (C$)	Monthly Low (C$)	Volume
2024			
February	0.66	0.58	6,069,515
March	0.80	0.605	8,373,764
April	1.04	0.72	17,238,699
May	1.33	0.85	17,214,402
June	1.12	0.86	10,519,264
July	1.095	0.84	9,991,221
August	0.98	0.58	20,120,277
September	0.80	0.52	13,094,910
October	1.15	0.69	19,406,210
November	0.97	0.77	6,880,348
December	0.93	0.65	7,746,330
2025			
January	1.62	0.71	36,511,333
February (until February 21)	1.70	1.465	20,025,586

The closing price of the Common Shares on the TSX on February 21, 2025, was C$1.49.

The Subscription Receipts are listed and posted for trading on the TSX under the symbol "DSV.R". The following table sets forth information relating to the trading of the Subscription Receipts on the TSX, from the date of listing on February 3, 2025 to the date of this Circular.

	Monthly High (C$)	Monthly Low (C$)	Volume
2025			
February 3 – February 21	1.60	1.05	7,232,655

The closing price of the Subscription Receipts on the TSX on February 21, 2025, was C$1.49.

Prior Sales

The following table sets forth information in respect of grants or issuances of Common Shares and securities that are convertible or exchangeable into Common Shares during the 12-month period prior to the date of this Circular. Other than the issuances listed in the table below, the Company has not issued any Common Shares or securities convertible or exchangeable into Common Shares within the 12 months preceding the date of this Circular.

Date	Type of Security	Number	Price (C$)
February 25, 2024 - February 24, 2025	Common Shares (1)	3,518,450	$0.50
February 25, 2024 - February 24, 2025	Common Shares (2)	1,941,340	$1.14
March 5, 2024	RSUs (3)	3,239,529	N/A
March 5, 2024	DSUs (4)	900,000	N/A
February 3, 2025	Subscription Receipts (5)	275,000,000	$0.90

Notes:

(1) Represents the issuance of Common Shares issued upon the exercise of stock options ("**Options**") under the Company's stock option plan. The price noted is the weighted average exercise price of the Options exercised during the period.
(2) Represents the issuance of Common Shares issued upon the vesting and settlement of restricted share units ("**RSUs**") under the Discovery RSU Plan. The price noted is the weighted average fair market value of Common Shares upon issuance.
(3) Represents the grants of RSUs under the Discovery RSU Plan.
(4) Represents the grant of deferred share units ("**DSUs**") under the Company's DSU plan.
(5) Subscription Receipts issued pursuant to the Offering.

Securities Authorized for Issuance under Equity Compensation Plans

The following table provides details of compensation plans under which equity securities of the Company were authorized for issuance as of December 31, 2024:

Plan Category	Number of securities to be issued upon exercise of outstanding options, RSUs, or DSUs	Weighted-average price of outstanding options, RSUs, or DSUs (C$)	Number of securities remaining available for future issuance under equity compensation plans(4)
Equity compensations plans approved by securityholders	15,851,875 Options(1) 5,600,615 RSUs(2) 2,375,997 DSUs(3) Total: 23,828,487	C$1.63 for Options C$0.71 for RSUs C$0.71 for DSUs	16,217,637
Equity compensation plans not approved by securityholders	Nil	Nil	Nil
Total	15,851,875 Options(1) 5,600,615 RSUs(2) 2,375,997 DSUs(3) Total: 23,828,487	C$1.63 for Options C$0.71 for RSUs C$0.71 for DSUs	16,217,637

Notes:

(1) Represents the number of Common Shares reserved for issuance upon exercise of Options outstanding as at December 31, 2024, issued in accordance with the terms of the Company's stock option plan.
(2) Represents the number of Common Shares reserved for issuance upon settlement of RSUs outstanding as at December 31, 2024, issued in accordance with the terms of the Discovery RSU Plan. The weighted average price for RSUs is the closing price of the Common Shares on December 31, 2024. The actual price will be determined by the market price of the Common Shares on the date that the RSUs are settled and redeemed for Common Shares.
(3) Represents the number of Common Shares reserved for issuance upon settlement of DSUs outstanding as at December 31, 2024, issued in accordance with the terms of the Company's DSU plan. The weighted average price for DSUs is the closing price of the Common Shares on December 31, 2024. The actual price will be determined by the market price of the Common Shares on the date that the DSUs are settled and redeemed for Common Shares.
(4) Based on the maximum aggregate number of Common Shares that were available for issuance under all equity compensation plans of the Company, collectively, being 40,046,124 Common Shares, or 10% of the 400,461,244 outstanding Common Shares as at December 31, 2024.

Consolidated Capitalization

Except as otherwise described herein, there has not been any material change to the Company's share and loan capital on a consolidated basis since September 30, 2024, the date of the Company's most recently filed financial statements. See the Q3 2024 Financial Statements and the Q3 2024 MD&A, which are incorporated by reference in this Schedule "A". See *"Prior Sales "* in this Schedule "A" and *"Consolidated Capitalization"* in Schedule "C" to this Circular.

Dividend Policy

Other than pursuant to the Implementation Agreement, and, following the Acquisition Closing, the Term Loan Agreement and the net smelter return royalty agreement with Franco-Nevada, there are no restrictions that prevent the Company from paying dividends or distributions. However, the Company has not paid any dividends or distributions on its Common Shares since incorporation and there are no plans to pay dividends at this time. At present, all available funds are invested to finance the growth of the Company and the exploration and development of its mineral properties. Any decision to pay dividends on its Common Shares in the future will be made by the Board from time to time, in its discretion, on the basis of many factors, including the Company's earnings, operating results, financial condition, and anticipated cash needs and other conditions existing at such time.

Material Contracts

Other than the Acquisition Agreement and the Implementation Agreement and except as otherwise disclosed in this Circular or the Company AIF, during the 12 months prior to the date of this Circular, the Company has not entered into any contract, nor are there any contracts still in effect, that are material to the Company or any of its subsidiaries, other than contracts entered into in the ordinary course of business. See *"Material Contracts"* in the Company AIF, which is incorporated by reference in this Schedule "A", *"Matters to be Considered at the Meeting – General Description of* *the Acquisition Agreement"* and *"Matters to be Considered at the Meeting – Financing the Acquisition – The Franco-Nevada Financing Package"*.

Auditors

PricewaterhouseCoopers LLP, Chartered Professional Accountants, located at PwC Tower, Suite 2600, 18 York Street, Toronto, Ontario, M5J 0B2 are the independent auditors of the Company. PricewaterhouseCoopers LLP has advised that they are independent of the Company within the meaning of the Chartered Professional Accountants of Ontario CPA Code of Professional Conduct.

Transfer Agent and Registrar

The Company's transfer agent and registrar for the Common Shares is TSX Trust at its principal offices in Vancouver, British Columbia and Toronto, Ontario.

Risk Factors

An investment in Common Shares and the completion of the Acquisition are subject to certain risks. In addition to considering the other information contained in this Circular, including the risk factors described under the heading *"Risk Factors"*, readers should consider carefully the risk factors described in the Company AIF and the Company Annual MD&A, each of which is incorporated by reference in this Schedule "A".

Interests of Experts

The following persons and companies are named as having prepared or certified a report, valuation, statement or opinion in this Circular, either directly or in a document incorporated by reference in this Circular, and whose profession or business gives authority to the report, valuation, statement or opinion made by the person or company:

- Tommaso Roberto Raponi, P. Eng., Ausenco Engineering Canada ULC; Jonathan Cooper, P. Eng., Ausenco Engineering Canada ULC; Scott Weston, P. Geo., Ausenco Sustainability ULC; John McCartney, C. Geol., Ausenco Chile Limitada; Willie Hamilton, P. Eng., AGP Mining Consultants Inc.; Rae Mohan Srivastava, P. Geo., Red Dot 3D Inc.; Nadia Caira, P. Geo., Discovery Silver Corp.; Humberto Preciado, PE, WSP USA Environment & Infrastructure Inc.; and Blake Easby, PE, WSP USA Environment & Infrastructure Inc., in respect of the current technical report pertaining to the Cordero Project; and

- Eric Kallio, P. Geo; Pierre Rocque, P. Eng., Rocque Engineering Inc.; and Dr. Ryan Barnett, P. Geo., Resource Modeling Solutions Ltd., in respect of the Porcupine Technical Report.

To the knowledge of the Company, the persons or firms named above beneficially own, directly and indirectly, either none or less than one percent of the outstanding Common Shares of the Company. None of the aforementioned persons or firms, nor any directors, officers or employees of such firms, are currently appointed or employed as a director, officer or employee of the Company or of any associate or affiliate of the Company.

Probable Acquisition

If the action to be taken at the meeting of securityholders is in respect of a significant proposed acquisition under which securities are to be changed, exchanged, issued or distributed, securities regulation in Canada requires that a reporting issuer must include disclosure described in the form of a prospectus in such information circular, including financial statements or other information about a proposed acquisition. If such financial statements or other information is required, such requirement must be satisfied by including either: (i) the financial statements or other information that will be required to be included in, or incorporated by reference into, a business acquisition report filed under NI 51-102; or (ii) satisfactory alternative financial statements or other information.

The Acquisition constitutes a significant proposed acquisition for the Company. In respect of the Acquisition, the Company satisfies the foregoing requirements by providing in this Circular:

(a) the audited combined financial statements of the Porcupine Complex for the years ended December 31, 2023 and 2022, included in Appendix "A" to Schedule "B" – *Information Concerning NewCo* to this Circular;

(b) the management's discussion and analysis of the Porcupine Complex for the years ended December 31, 2023 and 2022, included in Appendix "B" to Schedule "B" – *Information Concerning NewCo* to this Circular;

(c) the unaudited interim condensed combined financial statements of the Porcupine Complex for the nine months ended September 30, 2024, included in Appendix "A" to Schedule "B" – *Information Concerning NewCo* to this Circular;

(d) the management's discussion and analysis of the Porcupine Complex for the nine months ended September 30, 2024, included in Appendix "B" to Schedule "B" – *Information Concerning NewCo* to this Circular; and

the unaudited pro forma consolidated financial statements of Discovery as at September 30, 2024, for the nine-month period ended September 30, 2024 and for the year ended December 31, 2023, included as Appendix "A" to Schedule "C" – *Information Concerning the Combined Company* to this Circular.

Additional Information

Additional information relating to the Company may be found under the Company's profile on SEDAR+ at www.sedarplus.ca. Additional financial information is provided in the Company Annual Financial Statements, Company Annual MD&A, Q3 2024 Financial Statements and Q3 2024 MD&A, which can be found under the Company's profile on SEDAR+ at www.sedarplus.ca or on the Company's website at www.discoverysilver.com. Shareholders may also request copies of these documents from the Chief Financial Officer by phone at 416-613-9410 or by email at info@discoverysilver.com.

SCHEDULE "B"
INFORMATION CONCERNING NEWCO

GENERAL MATTERS

The following describes the proposed business of NewCo. In connection with the Acquisition, NewCo was formed to hold all of GCL's rights, title and interest in and to the Porcupine Complex. The following information is a summary of the proposed business and affairs of NewCo and should be read together with the more detailed information including audited and unaudited financial data and statements regarding the Porcupine Complex contained elsewhere in the Circular.

This Schedule "B" contains forward-looking statements and information relating to, without limitation, NewCo's business and its intentions, plans, expectations and anticipated financial performance or condition and future activities. See "*Forward Looking Statements*" in the Circular.

Meaning of Certain References

All references to "we", "our", "us" or "NewCo" in this Schedule "B" refer to NewCo, unless otherwise stated.

Classification of Mineral Reserves and Mineral Resources

In this Schedule "B" and as required by NI 43-101, the definitions of Measured, and Indicated and Inferred Mineral Resources are those used by Canadian provincial securities regulatory authorities and conform to the definitions utilized by CIM in the CIM Standards. The CIM Standards were updated in 2010 and 2014 at the request of the CIM Standing Committee on Mineral Reserve and Mineral Resource Definitions. The Porcupine Technical Report (as defined below) was written in accordance with the CIM Standards updated in 2014.

CORPORATE STRUCTURE

Name, Address and Incorporation

NewCo was incorporated under the BCBCA on February 7, 2025. The head and registered office is located at 1600 – 925 West Georgia Street, Vancouver, British Columbia V6C 3L2.

Intercorporate Relationships and Current Ownership

NewCo has no subsidiaries. NewCo is currently wholly owned by GCL but may be wholly owned by the Vendor prior to the Acquisition Closing. Following the completion of the Acquisition, NewCo will become a wholly owned subsidiary of Discovery.

The authorized capital of NewCo consists of an unlimited number of common shares without par value. As of the close of business on the business day prior to the date of this Circular, there were 100 common shares issued and outstanding, all of which are owned by GCL.

GENERAL DEVELOPMENT OF THE BUSINESS

General

On January 27, 2025, Discovery entered into the Acquisition Agreement to indirectly acquire the Porcupine Complex from GCL, a wholly owned subsidiary of Newmont. Pursuant to the Acquisition, GCL will transfer all of its rights, title and interest in and to the Porcupine Complex to the newly created entity, NewCo. NewCo was incorporated under the BCBCA on February 7, 2025, as a wholly owned subsidiary of GCL. Prior to the Acquisition Closing, GCL and NewCo will enter into the Asset Purchase Agreement pursuant to which GCL will transfer its interest in the Porcupine Complex to NewCo. See *"Matters to be Considered at the Meeting – General Description of the Acquisition Agreement"*.

NewCo is a precious metals exploration, development and production company operating in Canada and will have one principal asset – the Porcupine Complex located in Timmins, Ontario. A complete description of the business of NewCo is provided in this Schedule "B". Certain financial information, including combined financial statements for the Porcupine Complex, is set out in Appendix "A" of Schedule "B" to the Circular.

DESCRIPTION OF THE BUSINESS

Overview of the Business

NewCo's sole asset is expected to be its interest in the Porcupine Complex. The Porcupine Complex is composed of the Hollinger mine, the Hoyle Pond mine, the Borden mine, the Pamour open pit and the Dome mill. See *"The Porcupine Complex"* in this Schedule "B" for more information.

Principal Markets

NewCo will engage in the exploration, development and operation of gold deposits in Timmins, Ontario. The gold mineral exploration, production and mining business is a competitive business. NewCo competes with numerous other companies and individuals in the search for and the acquisition of attractive gold mineral properties, and to retain qualified personnel, suitable contractors for drilling and mining operations, technical and engineering resources and necessary exploration and mining equipment. The ability of NewCo to acquire gold mineral properties in the future will depend not only on its ability to develop its present properties, but also on its ability to select and acquire suitable producing properties or prospects for gold development or mineral exploration.

Specialized Skill and Knowledge

Various aspects of NewCo's mining business require specialized skill and knowledge, including skills and knowledge in the areas of permitting, geology, drilling, metallurgy, logistical planning, mine design, engineering, construction and implementation of exploration programs as well as finance, risk management and accounting. Much of the specialized skill and knowledge is provided by NewCo's management and operations team. NewCo also retains external consultants with additional specialized skills and knowledge, as required. However, it is possible that delays and increased costs may be experienced by NewCo when locating and/or retaining skilled and knowledgeable employees and consultants in order to proceed with its planned exploration and development at its mineral properties.

Competitive Conditions

NewCo competes with other mineral resources exploration companies for: financing; the acquisition of new mineral properties; and the recruitment and retention of qualified employees and other personnel and operating supplies. Accordingly, these competitors may be able to spend greater amounts on the acquisition of mineral properties of merit on exploration of their mineral properties and on development of their mineral properties.

Business Cycle

NewCo's business is not cyclical and may be conducted year-round.

Social Responsibility

NewCo's exploration, development and production activities are subject to, and any future development and production operations will be subject to, environmental laws and regulations in the jurisdictions in which its operations are carried out. See *"Risk Factors"* in this Schedule "B".

Mining is an extractive industry that impacts the environment. Discovery has strived to meet or exceed environmental standards at its mineral properties and expects to continue this approach following its acquisition of NewCo through effective engagement with affected stakeholders, including local communities, government and regulatory agencies.

In common with other natural resources and mineral processing companies, NewCo's operations generate hazardous and non-hazardous waste, effluent and emissions into the atmosphere, water and soil in compliance with local and international regulations and standards. There are numerous environmental laws in Canada that apply to NewCo's operations, exploration, development projects and land holdings. These laws address such matters as protection of the natural environment, air and water quality, emissions standards and disposal of waste.

Discovery recognizes environmental management as a corporate priority and places a strong emphasis on preserving the environment for future generations, while also providing for safe, responsible and profitable operations by developing natural resources for the benefit of its employees, shareholders and communities. Following its acquisition of NewCo, Discovery intends to maintain the standards of excellence for environmental performance that Discovery has historically set at its Cordero Project in Mexico into the future and plans to adopt various measures in order to do so.

NewCo will comply with all applicable environmental laws and regulations and strive to promote the respect of the environment in its activities. Employees are expected to maintain compliance with the letter and spirit of all laws governing the jurisdictions in which they perform their duties. Specifically, employees are expected to support NewCo's efforts to develop, implement and maintain procedures and programs designed to protect and preserve the environment.

Employees

As at the date of this Circular, there are approximately 825 employees employed or engaged by GCL exclusively in connection with the Porcupine Complex.

In connection with the Acquisition, GCL and its affiliates, as applicable, will transfer the employment of the employees and the engagement of the independent contractors of GCL and its affiliates which are employed or engaged exclusively in connection with the Porcupine Complex to NewCo, as well as use commercially reasonable efforts to transfer or cause to be transferred the Enterprise Employees (as defined in the Acquisition Agreement) to NewCo. See *"Matters to be Considered at the Meeting – General Description of the Acquisition Agreement – Covenants of the Parties"*.

On an ongoing basis, from and after the Acquisition Closing, NewCo expects to evaluate the required expertise and skills to execute the strategy described herein and will seek to attract and retain the individuals required to meet NewCo's goals.

Economic Dependence

NewCo's business is not dependent on any contract or single purchaser to sell a major part of its products or to purchase a major part of its requirements for goods, services or raw materials, or on any franchise, license or other agreement to use a patent, formula, trade secret, process or trade name upon which its business depends. It is not expected that NewCo's business will be affected in the current financial year by the renegotiation, amendment, or termination of contracts or subcontracts.

Bankruptcy and Similar Procedures

There have been no bankruptcy, receivership or similar proceedings against NewCo, or any voluntary receivership, bankruptcy or similar proceeding by NewCo, within the three most recently completed financial years or completed during, or proposed for, the current financial year.

Material Restructuring Transactions

Other than in connection with the Acquisition, there have been no material restructuring transactions of NewCo within the three most recently completed financial years or completed during or proposed for the current financial year.

The Porcupine Complex

Information relating to the Porcupine Complex is set out below. Eric Kallio, P. Geo., Pierre Rocque, P. Eng., of Rocque Engineering Inc. and Dr. Ryan Barnett, P. Geo., of Resource Modeling Solutions Ltd. jointly prepared the Porcupine Technical Report in accordance with NI 43-101. The Summary section of the Porcupine Technical Report is reproduced below, and readers should consult the full Porcupine Technical Report to obtain further particulars regarding the Porcupine Complex. The Porcupine Technical Report is available for review electronically on SEDAR+ (www.sedarplus.ca) under Discovery's issuer profile and is incorporated by reference in its entirety herein. All scientific and technical information in the following summary has been extracted from the Porcupine Technical Report, which was prepared by Eric Kallio, P. Geo., Pierre Rocque, P. Eng., and Dr. Ryan Barnett, P. Geo., each of whom is a qualified person within the meaning of NI 43-101.

Introduction

Mr. Eric Kallio, P.Geo., Mr. Pierre Rocque, P.Eng., and Dr. Ryan Barnett, P.Geo., collectively the Qualified Persons (QPs), prepared a technical report as set out in National Instrument (NI 43-101) and Form 43-101F1 Technical Report (the Report) on the Porcupine Complex (the Project) for Discovery Silver Corporation (Discovery Silver).

The Porcupine Complex includes operating mines at Borden, Hoyle Pond, and Pamour. The Hollinger open pit is suspended, and is considered to be mined out for the purposes of this Report. All mineralization from the operating mines is treated at the Dome process plant, including mineralization from Borden, which is trucked 190 km to the Dome plant.

This Report provides Mineral Resource estimates for the Borden, Dome, Hoyle Pond, and Pamour deposits. It also includes a preliminary economic assessment (the 2024 PEA) based on the Mineral Resource estimates for the Borden, Hoyle Pond and Pamour deposits.

Key Outcomes

- Mineral resource estimate: Measured and Indicated Mineral Resources totalling 69.7 Mt grading

- 1.76 g/t Au (approximately 3,932 koz); Inferred Mineral Resources totalling 254 Mt grading 1.53 g/t Au (approximately 12,500 koz); estimated for Borden, Dome, Hoyle Pond and Pamour;

- The 2024 PEA mine plan: based on a sub-set of the Mineral Resources estimates for Borden, Hoyle Pond, and Pamour, and assumes a 22-year mine life, with 10 years of production (2025–2035) from Hoyle Pond, eight years of production (2025–2033) from Borden, and 21 years of production (2025– 2046) from open pit operations at Pamour; stockpiled material generated during mining of Pamour will be reclaimed for an additional year of milling at the Dome process plant (2047);

- Capital cost estimate: mining costs over the proposed life-of-mine (LOM) total US$868 M, comprising US$147 M for Borden, US$175 M for Hoyle Pond, and US$546 M for Pamour. Process capital costs total US$642 M and site general sustaining capital are US$61 M over the LOM. The exploration capital costs are US$93 M. Closure costs are estimated at US$722 M. The LOM capital costs, inclusive of closure and reclamation, total US$2,385 M;

- Operating cost estimate: mine operating cost estimates include an average of US$126/t processed at Borden, US$291/t processed for Hoyle Pond and US$18.90/t processed for Pamour. Process costs include an allocation of US$8.93/t processed across all operations (fixed costs) in addition to a variable process cost of US$7.33/t processed for Borden, US$7.33/t processed for Hoyle Pond, and US$6.79/t processed for Pamour. All operating costs related to infrastructure are allocated to either the process plant or each mining operation. Total general and administrative costs are estimated at US$770 M. The G&A unit cost averages approximately US$8.09/t processed. Overall, LOM mining costs total US$2,915 M, LOM process costs total US$1,507 M, and LOM general and administrative costs US$771 M, for a total LOM estimate of US$5,192 M;

- Economic analysis: reported on a 100% project ownership basis. Project acquisition costs are considered to be corporate Discovery Silver costs and are not included in the financial evaluation. A royalty anticipated as part of financing of acquisition is included in the Project economics. The Project valuation date basis was January 1, 2025. A discount rate of 5% was used. A reverting price curve was used for the gold price, based on Canadian Imperial Bank of Commerce (CIBC) consensus forecasts, resulting in a long-term gold price assumption for 2028 and beyond of US$2,150/oz Au. The economic analysis includes provision for the Canadian corporate income tax (Federal and Ontario Income Tax), which consists of a combined 25% income tax, and the Ontario Mining Tax, applied at 10% on production earnings before interest, taxes, and corporate overhead costs. Forecast tax payments over the 2024 PEA LOM are estimated at US$947 M. The after-tax Project NPV is US$1,239 M. The economic analysis does not entail initial capital investment prior to the start of production and of cashflow and so there is no internal rate of return or project payback period relevant to the economic analysis presented;

- The sensitivity of the Project NPV to changes in head grades, gold price, metallurgical recoveries, capital costs and operating cost assumptions was tested using a range of up to 23% above and below the base case values. The Project is most sensitive to changes in metal price, closely followed by head grade. Changes in metal prices approximately mirror changes in the gold grade and metallurgical recovery. The Project is less sensitive to variations in operating costs, and least sensitive to capital cost changes;

- The 2024 PEA is preliminary in nature and includes Inferred Mineral Resources that are too speculative geologically to have economic considerations applied to them that would enable them to be categorized as Mineral Reserves, and there is no certainty that the preliminary economic assessment will be realized.

Terms of Reference

The Report was prepared to support disclosures in Discovery Silver's press release dated January 27, 2025, titled "Discovery Announces Transformational Acquisition of Newmont's Porcupine Complex".

The term "Project" and "Porcupine Complex" is used in reference to the overall mineral tenure holdings and includes the areas with Mineral Resource estimates and the sub-set of those estimates in the 2024 PEA. The term "Timmins area" refers to the deposits, including Dome, Hoyle Pond and Pamour, and the surrounding mineral tenure in the area of the township of Timmins. The "Borden area" is used to refer to the Borden deposit and surrounding mineral tenure.

Mineral Resources are classified using the 2014 edition of the Canadian Institute of Mining and Metallurgy (CIM) Definition Standards for Mineral Resources and Mineral Reserves (the 2014 CIM Definition Standards).

Units used in the Report are metric units unless otherwise noted. Ounces are in Troy ounces. Monetary units are in United States (US) dollars (US$) unless otherwise stated. The Report used Canadian English.

Ownership

The Porcupine Complex tenure and operations are currently owned by Goldcorp Canada Ltd., (Goldcorp Canada), a wholly-owned subsidiary of Newmont Corp. (Newmont).

On January 27, 2025, Discovery Silver and Goldcorp entered into a definitive agreement whereby Discovery Silver agreed to acquire the Porcupine Complex by paying US$200 million in cash and US$75 M in Discovery Silver shares at the transaction closing date. An additional US$150 M of deferred compensation is to be paid in four annual cash payments of US$37.5 M, commencing on December 31, 2027.

Prior to the transaction closing, Newmont has agreed to transfer the Porcupine Complex mineral tenures and operations into a new company to facilitate the sale of the Porcupine Complex. When the transaction closes, Discovery Silver will indirectly own 100% of the Project through its ownership of all of the shares in the new corporate entity.

Project Setting

The Dome, Pamour and Hoyle Pond Mines are located within the city limits of the City of Timmins. The mines are easily accessible year-round via Highway 101 and secondary access roads. There are existing dedicated haul roads between the former Hollinger mine and Dome mine, and between the Pamour and Hoyle Pond mines and the Dome mine. A full service airport is located north of Timmins. The Borden mine can be accessed from the township of Chapleau using Ontario Provincial Highway 101.

The local Timmins area climate varies from hot summers to cold winters. Mining operations are year-round.

The mine sites are within driving distance of major towns. Timmins is a regional centre for employing and training mining personnel.

The topography of the Timmins area has moderate relief, whereas relief in the Borden area is low to moderate. Vegetation in the Timmins and Borden areas consists of open boreal forest.

Mineral Tenure, Surface Rights, Water Rights, Royalties and Agreements

The mineral tenure holdings are divided for the purposes of this Report between two areas, one referred to as the Timmins area, and the second as the Borden area.

In the Timmins area, there are a total of 382 mineral claims that are wholly owned by Goldcorp Canada, covering approximately 17,325 ha, consisting of boundary, multi-cell and single-cell claims. Claims have expiry dates that range from 2027–2030. There are an additional 416 tenures (8,965 ha) held under joint venture, including boundary, multi-cell and single-cell claims, mining leases, mining patents, and surface leases. Expiry dates range from 2025–2032. Four of the surface leases and the mining patents have no expiry dates. There are four exploration permits, held by Goldcorp Canada and the Ontario Ministry of Energy, Northern Development and Mines (Ministry of Mines), which cover an area of approximately 934 ha and expire in 2026. There are 475 mining patents, covering approximately 10,639 ha, which are wholly-owned by Goldcorp Canada, which have no expiry date. There is a total of 573 surface patents, covering approximately 10,314 ha, which have no expiry date. Three of the surface patents are under joint venture with multiple different parties; the remainder are wholly-owned by Goldcorp Canada. Goldcorp Canada wholly owns 95 mining leases (approximately 3,995 ha), with expiry dates that range from 2025–2044. One mining patent is under joint venture, covering an area of 65 ha, and expires in 2041. Sixty surface leases, wholly-owned by Goldcorp Canada, cover approximately 1,852 ha, and have no expiry dates. There is a single aggregate permit, under joint venture, covering approximately 16 ha that has no expiry date. A land use permit, under joint venture, covers approximately 1 ha and expires in 2029. There are three mining licences of occupation, wholly-owned by Goldcorp Canada, with no expiry date, that cover approximately 722 ha. There are three surface licences of occupation. Two, covering approximately 2 ha, are wholly-owned by Goldcorp Canada. The second, under joint venture, covers approximately 4 ha. None of the surface licences of occupation have expiry dates.

In the Borden area, there are a total of 488 mineral claims (approximately 70,081 ha) wholly owned by Goldcorp Canada, consisting of boundary, multi-cell, and single-cell claims. Claims have expiry dates that range from 2029–2030. There are 491 mining patents covering a total area of approximately 39,140 ha, of which 489 (approximately 31,011 ha) are held by Goldcorp Canada as wholly-owned, and two (approximately 129.43 ha) that are held by third parties. In addition, there are 42 surface patents covering a total area of approximately 2,570 ha, of which 41 (approximately 2,508 ha) are held by Goldcorp Canada as wholly-owned, and one (approximately 62 ha) that is held by third parties. Mining and surface patents do not have expiry dates. There are 21 mining leases, wholly owned by Goldcorp Canada, totalling approximately 2,355 ha. There are an additional 13 surface leases, totalling approximately 1,480 ha, which are wholly owned by Goldcorp Canada. Mining and surface leases expire in 2040.

The Timmins and Borden areas have a number of surface agreements to provide surface rights. Surface rights holdings are sufficient to support the LOM plan.

There are 14 disposition agreements, 17 easement agreements, five memoranda of understanding, 11 lease agreements, six joint venture agreements, three option agreements, two highway permits, and 41 surface agreements for the

Timmins area, all of which are with multiple parties. These agreements have various expiry dates that range from 2024–2062. Agreements with 2024 expiry dates, such as some of the surface access agreements, are in the renewal process. Some agreements have no expiry date. There are an additional 11 agreements specifically concluded with Glencore that cover aspects such as agreements on waste rock disposal facilities, mine closure and remediation plans, air dispersion modelling, operations and steering committees, access rights and easements, and water supply and discharge agreements. These have expiry dates that range from 2024–2031. Agreements with 2024 expiry dates are in the renewal process. Where agreements have expiry dates immediately prior, or immediately following, the Report effective date, Newmont experts advised the QP that renewal applications have, or will be, lodged. In some instances, the agreements automatically extend each year and no renewal is needed.

Two surface agreements are in place for the Borden area. One expires in 2035, the second in 2036.

Goldcorp Canada does not exclusively hold water rights for the Porcupine and Borden sites. Water taking from groundwater and freshwater sources is regulated by the Ontario Ministry of Environment, Conservation and Parks (Ministry of the Environment) and requires a Permit to Take Water for any water taking over 50,000 litres per day. The Porcupine and Borden sites have active Permits to Take Water where required for mining and associated activities. Permits to Take water are required to be renewed on a frequency specified in the permits in order to support mining activities. The Hoyle Pond Mine uses fresh water from a surface water source drawn by the neighbouring Glencore Kidd Metallurgical facility. Glencore has announced the closure of that facility in 2026, and as such, alternative freshwater sources are actively being considered.

Royalties consists of an over-arching royalty payable to Franco-Nevada Corporation (Franco-Nevada), and royalties with individuals that are attached to specific claims groups. In the latter instance, the royalties are classified as material or non-material, where a material royalty is on claims that have a current Mineral Resource estimate.

As part of Project acquisition financing, Discovery Silver intends to enter into a 4.25% net smelter return (NSR) royalty arrangement with Franco-Nevada Corporation (Franco-Nevada). Of this NSR, 2.25% is a royalty in perpetuity, and 2% can be re-purchased.

There are eight material royalties in the Timmins area. Royalties with net smelter return obligations range from 1–2.25%. Other royalties are levied on a production tonnage basis. There are 44 non-material royalties associated with the Timmins area. There is one material royalty for the Borden area which has a 1% net smelter return. There are three non-material royalties associated with the Borden area.

Geology and Mineralization

The Project is within the Kapuskasing structural zone of the Wawa sub-province, and Abitibi sub-province of the Archean Superior Craton.

Within the Abitibi sub-province are a number of laterally extensive, stacked, volcano–sedimentary successions and assemblages that may have conformable, unconformable, or disconformable contacts. These assemblages have been variably intruded by a series of granite, tonalite, granodiorite, porphyry, and syenite/albitite intrusions. All of the Abitibi sub-province rocks have been metamorphosed, reaching lower to middle greenschist facies in the Timmins area. Gold mineralization is considered to be generally late in the evolution of the Abitibi sub-province. Mineralization is hosted primarily within the Tisdale, Porcupine and Timiskaming assemblages. Unconformities or disconformities have been identified between each assemblage. Deposits are juxtaposed along the Porcupine–Destor and Larder Lake–Cadillac deformation zones. Mineralization in the Timmins area primarily consists of networks of steeply- to moderately-dipping fault-fill quartz-carbonate ± tourmaline ± pyrite veins and associated extensional, variably deformed, shallowly to moderately dipping arrays of sigmoidal veins hosted in highly carbonatized and sericitized rocks.

A series of structural belts young to the east within the Wawa domain, the youngest being the 5 x 35 km Borden Lake belt that hosts the Borden deposit. This belt comprises an east-west trending assemblage of metasedimentary units, including a polymictic meta-conglomerate, mafic and felsic metavolcanic rocks, and mafic gneisses. Metamorphism in the Kapuskasing structural zone ranges from upper-amphibolite to granulite facies. Metamorphism in the vicinity of the Borden deposit is of upper amphibolite grade. Mineralization in the Borden area occurs as a broad zone with quartz and white mica, biotite, and garnet with disseminated and fracture-controlled sulphides (pyrite and pyrrhotite), within a volcano-metasedimentary package of variable composition. Mineralization consists of low-to-moderate grade gold concentrations, with a higher-grade core that increases in grade toward the southeast.

The Timmins area remains prospective along the Destor–Porcupine fault zone where the Timiskaming Unconformity is in contact with Tisdale ultramafic volcanic lithologies, and around legacy mine sites. These include at depth and along strike of the Hollinger to McIntyre, Broulan, Coniaurum, Owl Creek Deep, and Paymaster zones. In the Borden area the zone west of the Borden ramp at Borden West and the B Roswell East and West zones show prospectivity.

The Borden deposit remains open along strike to the east and west. The Hoyle Pond deposit remains open at the XMS zone, the S-vein upward and down-plunge extensions, the NMV2 zone near the 1350 level of the mine, and the TVZ zone. The Pamour deposit remains open at depth and along strike of the old underground workings. There may be potential for extending mineralization to the north of the current resource model. Pamour West remains open at depth. There may be potential for additional mineralization between the Pamour open pit and Pamour West.

History

The Timmins area has a long history of exploration and production, commencing with the first gold discovery in 1909. Numerous companies were involved in exploration and mining activities from 1910–2002, including Dome Mines Limited, Standard Gold Mines Limited, West Dome Mines Limited, Hollinger Gold Mines Limited, Preston East Dome Mines Limited, Three Nations Mining Co. Ltd., La Palme Porcupine Mines Ltd., Consolidated West Dome Mines Ltd., Paymaster Consolidated Mines Ltd., Porcupine Paymaster Limited, Pamour Porcupine Mines Limited, Noranda Inc., Midcamp Mines Ltd., Preston Mines Limited, Texas Gulf Inc., Texas Gulf Sulphur Company, Kidd Creek Mines Ltd., Falconbridge Gold Corporation, Diepdaume Mines Limited, Kapuskasing Resources, Pamour Inc., Jimberlana Minerals, Giant Resources Limited, Placer Dome Inc. (Placer Dome), Royal Oak Mines Ltd., Kinross Gold Corp (Kinross). In 2002, the Porcupine Joint Venture (PJV) between Kinross and Placer Dome was established. In 2006, the PJV and other properties held by Placer Dome were acquired by Goldcorp Inc. (Goldcorp) as part of a larger transaction when Barrick Gold Corp. (Barrick) took over Placer Dome. Goldcorp subsequently merged with Newmont Corp. (Newmont) in 2019. Work completed by the companies listed included geological mapping, geophysical surveys, core drilling, mining and technical studies, and open pit and underground mining operations.

Probe Mines Limited commenced work in the Borden area in 2010, and was acquired by Goldcorp in 2015. Work completed included geological mapping, geophysical surveys, core drilling, mining and technical studies, and underground mining operations.

Drilling and Sampling

Core drilling in the period 1905–30 September 2024 from surface and underground in the Project area totals 145,696 drill holes (15,298,198.50 m). As Discovery Silver does not yet own an interest in the Project, all drilling and sampling activities were completed by parties other than Discovery Silver.

Drilling at the Borden deposit comprises 2,553 core drill holes (679,176.04 m). The total drilling at the Dome deposit consists of 1,958,613.96 m of drilling in 32,299 core holes. The drilling at Hollinger consists of 41,504 core holes for 1,673,267.27 m of drilling. Drilling at the Hoyle Pond deposit comprises 24,399 core holes (2,983,592.08 m). The total drilling at the Pamour deposit consists of 1,728,394.87 m of drilling in 27,570 core holes.

Regional drilling in the Timmins area, outside known deposits, consists of 16,591 drill holes (1,511,526 m), with 304 drill holes (62,086 m) completed as part of regional exploration in the Borden area.

A range of drill types and methods have been used at the operations over time. Core sizes include AQ (27 mm core diameter), AQTK (30.5 mm), ATW (30.1 mm), E (21.5 mm), EXT (23 mm), HQ (63.5 mm), NQ (47.6 mm) and PQ (85 mm).

Grade and ore control samples are not used in estimation. They are used for short-term production planning purposes. Prior to digital logging and databases paper drill logs were used. All relevant historical paper logs supporting current operations/resources have been digitized, and other legacy sites have had available paper logs scanned and are available for digitization into the main geological database. Historical digital logging in the Timmins area was primarily completed using various digital logging platforms both third party and internal databases such as acQuire, Geospark, Access, or Excel spreadsheets were used to capture relevant geological data directly as digital inputs.

Current core logging (2019 to present) adheres to the Newmont global standard for core logging. Qualitive and quantitative geological data are digitally recorded by the geologists using Newmont's internal logging program CORE management 2.0 software, which is a graphical logging program front-end that interfaces with Newmont's Global Exploration Database (GED) where captured data are saved in a series of tables organized by site and by site project, and data type (for example, Hoyle Pond, Borden, lithology, alteration). Geotechnical logging is completed, and can include information such as vein contacts, bedding angles, core recovery, presence of faults and fractures, rock quality designation (RQD), and strain intensity. All core is photographed wet and dry, organized, and named according to the drill hole ID and depth of the interval of core captured. Core photographs are saved to a central server. Core recovery in the Timmins and Borden areas is generally very good.

Collar and down-hole survey intervals, methods, and instrumentation varied over time, and were industry accepted at the time of use.

Historical documentation is not readily available. For many of the early Timmins area drill programs, prior to 1991, the whole core was sent for analysis. Currently, after core is logged, marked and tagged, geologists define the sample intervals on the core whilst logging and add one tag to the core box at the end of each sample interval. Sample intervals varied by deposit, and could range from 0.001–6.4 m, but typically had mean values of either 1.0 m or 1.5 m.

Specific gravity determinations are recorded in the Project database. Data were primarily collected using the Archimedes method, which involves weighing a sample in air, and dividing this value by the difference between the mass in air and the mass while immersed in water. The data are of sufficient quality to support Mineral Resource estimation.

A large number of laboratories, and consequently sample preparation and analytical procedures, were used over the Project history. To 1990, all Dome samples were prepared and assayed at the Dome laboratory, a non-independent, non-accredited run-of-mine laboratory. From 1990–1993 all underground samples were processed at the Dome Mine laboratory, but most surface samples were sent to a variety of different independent external laboratories including Swastika Laboratories in Swastika, Assayers Laboratory in Rouyn-Noranda, SGS Laboratories (SGS) in Rouyn-Noranda, Chimitec in Val d'Or and Quebec City, XRAL Laboratories in Toronto, or Bondar Clegg, in Ottawa. Samples from Blueberry Hill drilling in 1991 were sent to Accurassay laboratories in Kirkland Lake. Accreditations for these laboratories are not recorded in the Project database.

Sample preparation procedures prior to 2009 are not well documented. Since 2009, sample preparation, while not standardized, was quite similar at most operations. Historically sample preparation for pulp and metallic assays was undertaken by the Dome Mine laboratory, Swastika and Chimitec in Rouyn Noranda and Mississauga. Procedures for preparation varied slightly from laboratory to laboratory in terms of particle size and quantity of crushed product, splitting procedures, and the size of the pulp selected for assay. Crushing ranged from 75–85% passing <2 mm; pulverizing from 85–90% passing <75 µm.

Pre-1968, all samples at the Dome mine laboratory were analyzed using fire assay with a gravimetric finish. From 1968–1986 an aqua regia digestion/methyl isobutyl ketone extraction with an atomic absorption (AA) finish (AD/SE) was used. This method was subsequently found to underestimate gold concentrations and was discontinued. After 1986 the laboratory returned to fire assaying, but with AA finish on lower-grade samples and a gravimetric finish on higher-grade samples. Current assay methods for gold typically use fire assay with an AA finish, and overlimit samples are re-assayed using gravimetric methods. Multi-element analyses using aqua regia digestion with inductively coupled plasma–optical emission spectroscopy (ICP–OES) or ICP mass spectrometry (MS) are completed on request.

Many of the samples analyzed for Hoyle Pond during the period from 1969–1990 have been mined out and are no longer considered to be material to the Mineral Resource estimates. A portion of the historical assay data is still used for the Dome and Pamour estimates. There are no records of independent QA/QC procedures being used in gold assaying prior to 1991, although it is possible that some were inserted and used by individual laboratories but not well documented. The first formal QA/QC programs were initiated in 1992. An extensive checking program was in place from 1990–1992 which included comparison of duplicate samples from the various laboratories used in that period, as well as metallic screen assaying and total pulverization testing. A blind QA/QC program was implemented on all Porcupine Joint Venture advanced exploration programs beginning November 12, 2002. The program included insertion of blank, standard and duplicate samples. The initial Borden protocols, in use from 2010–2015, consisted of insertion of blanks and standards. After 2015, the same QA/QC regime as used for the Porcupine Joint Venture was instituted. A comprehensive and rigorous QA/QC program is currently in place for all Project exploration and delineation activities that includes insertion of blank, standard, and duplicate samples, at a 1:20 insertion rate.

Sample security has not historically been monitored. Sample collection from drill point to laboratory relied upon the fact that samples were either always attended to, or stored in the locked on-site preparation facility, or stored in a secure area prior to laboratory shipment. Security tags were used on sample shipments shipped with third-party contractors. Currently and since 2018, laboratory staff directly pick up the samples from the core shacks and transport them to the laboratory. Chain-of-custody procedures consisted of sample submittal forms to be sent to the laboratory with sample shipments to ensure that all samples were received by the laboratory.

Data Verification

Database administrative staff and Project geologists typically completed verification checks during the process of data upload to the databases as set out in standard operating procedures.

Data verification has been completed over the mine history in support of a number of studies, including annual Mineral Resource and Mineral Reserve estimate documentation, internal mining studies, internal studies on specific datasets, and technical reports prepared under NI 43-101. Aspects of these reports and studies were reviewed by the QPs, as applicable to their discipline areas, and provide support for conclusions reached by the QPs that the data can be used in support of Mineral Resource estimation.

The QPs individually reviewed the information in their areas of expertise, and concluded that the information supported Mineral Resource estimation, and could be used in PEA-level mine planning and economic analysis.

Metallurgical Testwork

Mining and milling operations at the Dome site date from 1910, with the current process plant built in the early 1980s. The original carbon-in-pulp (CIP) circuit was constructed in 1988 and in 1995, a new crushing circuit, additional leach tanks, a new CIP circuit, and a second grinding line were added. In 2004, the process plant was expanded by adding a Rod Mill to B Circuit to handle mineralization from the Pamour open pit. Following the 2004 expansion, the plant flowsheet has remained relatively constant.

During the 100+ year history of the Porcupine Complex, a significant number of metallurgical studies and accompanying laboratory-scale and/or pilot plant tests have been completed. The majority of the early testwork is no longer relevant due to the deposit areas that were tested being mined out.

Either internal metallurgical research facilities operated by the property owner at the time, or external consultants, undertook the testwork and associated research. The testwork facilities performed metallurgical testing using industry-accepted procedures and to industry-accepted standards at the time the testwork was completed. There is no international standard of accreditation provided for metallurgical testing laboratories or metallurgical testing techniques.

Metallurgical testwork and associated analytical procedures were appropriate to the mineralization type, appropriate to establish the optimal processing routes, and were performed using samples that are typical of the mineralization style.

Testwork completed since 2019 at Borden, Hoyle Pond and Pamour evaluated head chemical analysis, mineralogical analysis, comminution parameters (semi-autogenous grind (SAG) mill comminution tests (SMC), Bond ball mill work index (BWi), Bond rod mill work index (RWi), abrasion index (Ai), hardness index (HIT), breakage resistance (A*b), generation of grind establishment curves), Knelson gravity separation (at 850 µm), cyanidation leach testwork (at 120, 130 or 140 µm), and single-stage gravity-recoverable gold testwork in support of assessments of process amenability to the material tested and amenability of the material to blending. Results generally indicated that the mineralization tested was amenable to the parameters and equipment used in the Dome process plant.

Environmental characterization testwork was completed on Pamour mineralization to evaluated acid generating potential and metal leachability. No samples were found to have a high mobility of hazardous metals, and none would be designated as hazardous waste if disposed of in a landfill.

Samples selected for testing were representative of the various types and styles of mineralization to be tested. Samples were selected from a range of depths within the deposits. Sufficient samples were taken so that tests were performed on sufficient sample mass.

Recovery factors estimated for Borden, Hoyle Pond, and Pamour are based on appropriate metallurgical testwork, and are appropriate to the mineralization types and the selected process route. Recoveries vary by deposit, and are forecast to be 92.6% at Borden, 95.4% at Hoyle Pond, and 91.0% at Pamour. No testwork reports were available for Dome, and the recovery forecast of 94.3% at Dome is based on plant recovery data from 2003. As a result, the Dome Mineral Resource estimate should be restricted to Inferred until additional information is available.

There are no deleterious elements known that would affect process activities or metallurgical recoveries.

Mineral Resource Estimation

Mineral Resources are estimated for Borden and Hoyle Pond, assuming underground mining methods, and Dome and Pamour assuming open pit mining methods.

<u>Borden</u>

The estimate was completed using commercially-available software.

The geological framework includes 15 grouped geological units, seven fault blocks that define the mining zones, and a major quartz vein domain constraining the mineralization. The quartz vein domains and surrounding lithologies were treated as a hard boundary while the sub-domains within the quartz vein domain were treated as soft boundaries. A nominal compositing length of 1 m was used. An average specific gravity value by lithology type inside or outside the quartz vein domain was assigned to the block model. Capping was applied to composited values. Variograms were calculated for estimation domains.

All domains were estimated using ordinary kriging. All block estimates were completed into the 3 x 3 x 3 m model parent cell. The gold grade estimate was completed using two estimation passes. The first pass was estimated using ranges of 110–440 m depending on domain, with a minimum of 10 samples and a maximum of 24 samples per estimate as well as a limit of five samples per drill hole. In the second pass estimation, search ranges were from 220–880 m, depending on domain, with a minimum of six samples, maximum of 24 samples, and a limit of five samples per drill hole.

Model validation included visual inspection, swath plots, and global bias checks. No material biases or issues were noted as a result of the validation undertaken.

Measured, Indicated and Inferred confidence categories were assigned using drill spacing criteria:

- Measured: drill holes within 12 m;
- Indicated: drill holes within 25 m;

- Inferred: drill holes within 50 m.

A Deswik stope optimizer was run to determine potentially mineable shapes assuming mining will be via longhole stoping methods. Inputs to the shapes included a gold price of US$2,000/oz Au, mining costs of US$120.08/t processed, process costs of US$18.30/t processed, general and administrative costs of US$31.58/t processed, variable metallurgical recoveries by mining zone ranging from 81.08–93.64%, refining costs of US$0.98/oz Au, dilution percentages that vary by mining zone, ranging from 18–25%, and a 4.6% royalty. Mineral Resources are reported at varying cut-off grades by mining zone, ranging from 3.3–4.2 g/t Au.

Dome

The estimate was completed using commercially-available software.

The geological framework consists of 19 lithologies that were used for the definition of estimation domains, to constrain grade simulations, and specific gravity coding. Primarily hard contacts were used between lithological domains with a few exceptions. Assays were composited to 3 m (10 ft) corresponding with twice the dominant sampling length of 1.5 m (5 ft). Specific gravity was assigned directly to the simulation nodes prior to regularization to selective mining unit scale blocks by lithology.

The QP identified a bias in the low-grade portion of pre-1990 drilling campaigns. To facilitate improved estimation, the QP performed spatial imputation of the low-grade portion of the distributions for each domain. All historical core hole data were simulated from the existing assays (imputed) at low grades to prevent the introduction of a strong positive bias in the model. This imputation procedure provided an unbiased basis for the resource model and validated across data eras, as well as against blast hole models.

Grades were capped, with more conservative capping grades used in waste domains. Pairwise relative experimental variograms were calculated for each estimation domain.

Grades were simulated onto grid nodes spaced at 10 ft3, generating high-resolution models that characterize representative point (composite) scale variability. The nodes were then averaged within 30 ft3 (0.85 m3) selective mining unit scale blocks, implicitly capturing change of support. Localised conditional simulation was used for the estimation of block grades.

Validation of the localised conditional simulation estimation was compared against ordinary kriged and nearest neighbour check estimates. Other validation included visual inspection, global mean comparisons, swath plots, comparison of histograms and grade-tonnage curves, and block value comparisons. No significant errors or concerns were identified during the validation process.

Confidence classifications were based on drill spacing studies:

- Indicated Mineral Resources: at a drill hole spacing ≤30 m (≤100 ft), grade estimates of nominal annual production volumes will be within 15% of predicted with a 90% probability or higher;

- Inferred Mineral Resources: at a drill hole spacing of ≤69 m (≤225 ft), grade estimates of nominal annual production volumes will be within 30% of predicted with a 90% probability or higher.

While areas in the model qualified for the Indicated category based on the drill spacing, given the uncertainty in the precise location of mined-out areas, various other factors related to the quality of the pre-1990 data, and input from process specialists regarding metallurgical recovery assumptions, only Inferred Mineral Resources were classified.

Mineral Resource for Dome have been reported considering an open pit mining method and an assumed 20,000 t/d milling scenario. The optimization parameters used a long-term gold price of US$2,000/oz with a 91% metallurgical recovery based on historical records and numerous metallurgical studies completed on the Dome mineralization. A 45º slope angle was used with consideration for past geotechnical studies, which recommended angles ranging between 40–51º, depending on the slope sector. Mineral Resources have been reported inside the pit shell at a cut-off grade of 0.40 g/t Au.

<u>Hoyle Pond</u>

The estimate was completed using commercially-available software.

The geological framework includes nine lithology models, fault and diabase dyke models, and five major vein set models. Geostatistical domains were defined based on the geometric similarities of different structures across various areas and the spatial relationships between the veins in the geological model. A 1 m composite run length composite was used for S- and Middle-veins. A nominal compositing length of 0.5 m was used for the XMS veins. Capping was applied to the composites at the time of grade estimation. Lithology was used as the basis for coding specific gravity values and a fixed value was applied to each lithology group. Variograms were calculated for estimation domains.

Most geostatistical domains were estimated using ordinary kriging, except for domains with sparse data, which were estimated using an inverse distance weighting approach. For the S-vein system, estimation involved two passes, requiring a minimum of 10 samples in the first pass. In contrast, the Middle vein system used three passes, with a minimum of eight samples for the first pass. Three passes were required to estimate the main XMS material. A minimum of eight samples were required for pass 1, dropping to six samples in pass 2, and three samples in pass 3. The search ellipsoid was doubled for each pass. The grade cap used in pass 1 was 400 g/t Au and was lowered to 300 g/t Au for passes 2 and 3. All other veins and buffers were estimated using one pass. Material outside the veins and buffers was not estimated.

Model validation included visual inspection, swath plots, global bias checks, and a reconciliation check of model performance against production. No material biases or issues were noted as a result of the validation undertaken.

Until the end of 2023, Measured, Indicated and Inferred confidence categories were assigned to the S, Middle and XMS resource models classified using drill spacing criteria: Measured: drill hole within 12.5 m; Indicated: drill hole within 25 m; and Inferred: drill hole within 50 m.

As production has been decreasing since the drill spacing study supporting the classification was completed, a decision was made for the current Mineral Resource estimate in this Report to downgrade all Measured material to Indicated to reflect the impact of a lower production rate on the drill spacing.

A Deswik stope optimizer was run to determine potentially mineable shapes assuming the use of longitudinal long-hole retreat or underhand cut-and-fill mining methods. Input parameters to stope designs included a gold price of US$2,000/oz Au, mining costs of US$371.55/t processed assuming longitudinal long-hole retreat methods and US$277.33/t processed assuming underhand cut-and-fill methods, process costs of US$45.01/t processed, general and administrative costs of US$47.05/t processed, average 94.3% metallurgical recovery, variable dilution based on mining zone ranging from 12–194%, refining costs of US$0.98/oz Au, and royalty of 8%. The Mineral Resource estimate is reported at a cut-off grade of 12.3 g/t Au in the stopes assumed to be mined using longitudinal long-hole retreat methods and 6.05 g/t Au in the stopes assumed to be mined using underhand cut-and-fill.

<u>Pamour</u>

The estimate was completed using commercially-available software.

The geological framework includes 11 lithology groups, a fault model, and lithology-based mineralization domains created using mineralization types. A hard boundary was used between the Conglomerate unit and adjacent Timiskaming sedimentary lithologies. A 1.5 m composite was selected for estimation purposes. Capping was applied to the composites at the time of grade estimation, and varied by lithological domain. Specific gravity values were assigned as a fixed value for each lithology. Variograms were calculated for estimation domains.

Domains were estimated using ordinary kriging and three successive passes that were primarily aligned with the variogram model orientation:

- Pass 1: estimated within 50% of the variogram range using a minimum of 10 composites with a maximum of six composites from any one drill hole;

- Pass 2: estimated within the variogram range using a minimum of eight composites with a maximum of five composites per drill hole;

- Pass 3: estimated within 200% of the variogram range using at least six composites with a maximum of four composites per drill hole.

The blocks were flagged with a lithology field derived from the supplied geology wireframes, as well as the percentage volume of the block that falls within the supplied mining voids. Additionally, the block model was coded with the percentage of the block occurring below the topographic surface. To account for the mining voids resulting from historical underground mining operations, the percentage block volume falling within mined out regions was used to re-calculate grade and specific gravity for each block intersecting a void.

Model validation included visual inspection, swath plots, and global bias checks. No material biases or issues were noted as a result of the validation undertaken.

Confidence classifications were based on drill hole spacing:

- Indicated Mineral Resources: the block has an effective drill hole spacing of ≤30 m;

- Inferred Mineral Resources: the block has an effective drill hole spacing of ≤60 m.k Indicated blocks with >10% of their volume within a void were downgraded to Inferred.

Mineralization was constrained within a conceptual pit shell. The pit parameters used a gold price of US$2,000/oz Au, mining costs of US$5.50/t processed, process costs of US$23.70/t processed, general and administrative costs of US$10.50/t processed, average 91% metallurgical recovery, refining costs of US$0.98/oz Au, and pit slope angles of 25º in overburden and 45º in rock. Mineral Resources are reported above a 0.53 g/t Au cut-off.

Mineral Resource Statement

Mineral Resources are reported in situ using the 2014 CIM Definition Standards. The estimates have an effective date of 3 December, 2024.

The Qualified Person for the Borden, Hoyle Pond, and Pamour estimates in Table 1-1, Table 1-3, and Table 1-4 is Mr. Eric Kallio, P.Geo., who is an independent consulting geologist. The Qualified Person for the Dome estimate in Table 1-2 is Dr. Ryan Barnett, P.Geo., an employee of Resource Modeling Solutions Ltd.

Table 1-1: Mineral Resource Estimate, Borden

Deposit	Classification	Tonnage (kt)	Grade (g/t Au)	Contained Metal (koz)
Borden	Measured	1,471	6.17	292
	Indicated	2,274	6.15	449
	Measured and Indicated	***3,745***	***6.16***	***741***
	Inferred	1,372	5.22	230

Notes to accompany Borden Mineral Resource estimate:

(1) Mineral Resources are reported insitu, using the 2014 CIM Definition Standards. Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability.

(2) Mineral Resources have an effective date of 3 December, 2024. The Qualified Person for the estimate is Mr. Eric Kallio, P.Geo., an independent Qualified Person.

(3) Mineral Resources that are considered amenable to underground mining methods are constrained within conceptual mineable shapes that use the following input parameters: gold price of US$2,000/oz Au, mining costs of US$120.08/t mined, process costs of US$18.30/t processed, general and administrative costs of US$31.58/t processed, variable metallurgical recoveries by mining zone ranging from 81.08–93.64%, refining costs of US$0.98/oz Au, dilution percentages that vary by mining zone, ranging from 18–25%, and a 4.6% royalty. Mineral Resources are reported at varying cut-off grades by mining zone, ranging from 3.30–4.20 g/t Au.
(4) Estimates have been rounded.
(5) This table is not additive to Table 1-5.

Table 1-2: Mineral Resource Estimate, Dome

Deposit	Classification	Tonnage (kt)	Grade (g/t Au)	Contained Metal (koz)
Dome	Measured	—	—	—
	Indicated	—	—	—
	Measured and Indicated	—	—	—
	Inferred	229,284	1.49	10,978

Notes to accompany Dome Mineral Resource estimate:

(1) Mineral Resources are reported insitu, using the 2014 CIM Definition Standards. Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability.
(2) Mineral Resources have an effective date of 3 December, 2024. The Qualified Person for the estimate is Dr. Ryan Barnett, P.Geo., an employee of Resource Modeling Solutions Ltd.
(3) Mineral Resources that are considered amenable to open pit mining methods are constrained within a pit shell that uses the following input parameters: gold price of US$2,000/oz Au, mining costs of US$3.86/t mined, process costs of US$18.74/t processed, general and administrative costs of US$3.86/t processed, average 91% metallurgical recovery, refining costs of US$0.94/oz Au, and pit slope angles of 45º. Mineral Resources are reported above a 0.40 g/t Au cut-off.
(4) Estimates have been rounded.
(5) This table is not additive to Table 1-5.

Table 1-3: Mineral Resource Estimate, Hoyle Pond

Deposit	Classification	Location	Tonnage (kt)	Grade (g/t Au)	Contained Metal (koz)
Hoyle Pond	Measured		—	—	—
	Indicated	Stopes	1,098	13.12	463
		Development	69	9.38	21
	Measured and Indicated	***Stopes + development***	*1,167*	*12.90*	*484*
	Inferred	Stopes	569	15.24	279
		Development	10	14.93	5
	Inferred	*Stopes + development*	*578*	*15.24*	*283*

Notes to accompany Hoyle Pond Mineral Resource estimate:

(1) Mineral Resources are reported insitu, using the 2014 CIM Definition Standards. Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability.
(2) Mineral Resources have an effective date of 3 December, 2024. The Qualified Person for the estimate is Mr. Eric Kallio, P.Geo., an independent Qualified Person.
(3) Mineral Resources that are considered amenable to underground mining methods are constrained within conceptual stope designs that use the following input parameters: gold price of US$2,000/oz Au, mining costs of US$371.55/t mined assuming longitudinal long-hole retreat methods and US$277.33/t mined assuming underhand cut-and-fill methods, process costs of US$45.01/t processed, general and administrative costs of US$47.05/t processed, average 94.3% metallurgical recovery, refining costs of US$0.98/oz Au, dilution percentages that vary by zone and mining method, ranging from 12–194%, and

royalty of 8.0%. The Mineral Resource estimate is reported at a cut-off grade of 12.3 g/t Au in the stopes assumed to be mined using longitudinal long-hole retreat methods and 6.05 g/t Au in the stopes assumed to be mined using underhand cut-and-fill.

(4) Estimates have been rounded.

(5) This table is not additive to Table 1-5.

Table 1-4: Mineral Resource Estimate, Pamour

Deposit	Classification	Tonnage (kt)	Grade (g/t Au)	Contained Metal (koz)
Pamour	Measured	—	—	—
	Indicated	64,755	1.30	2,704
	Measured and Indicated	***64,755***	***1.30***	***2,704***
	Inferred	23,264	1.34	1,002

Notes to accompany Pamour Mineral Resource estimate:

(1) Mineral Resources are reported insitu, using the 2014 CIM Definition Standards. Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability.

(2) Mineral Resources have an effective date of 3 December, 2024. The Qualified Person for the estimate is Mr. Eric Kallio, P.Geo., an independent Qualified Person.

(3) Mineral Resources that are considered amenable to open pit mining methods are constrained within a pit shell that uses the following input parameters: gold price of US$2,000/oz Au, mining costs of US$5.50/t mined, process costs of US$23.70/t processed, general and administrative costs of US$10.47/t processed, average 91% metallurgical recovery, refining costs of US$0.94/oz Au, and pit slope angles of 25º in overburden and 45º in rock. Mineral Resources are reported above a 0.53 g/t Au cut-off.

(4) Estimates have been rounded.

(5) This table is not additive to Table 1-5.

Table 1-5: Mineral Resource Summary Table

Classification	Tonnage (kt)	Grade (g/t Au)	Contained Metal (koz)
Measured	1,471	6.17	292.0
Indicated	68,196	1.66	3,640.0
Measured and Indicated	***69,667***	***1.76***	***3,931.9***
Inferred	254,499	1.53	12,493.5

Notes to accompany combined Mineral Resource estimate:

(1) Mineral Resources are reported insitu, using the 2014 CIM Definition Standards. Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability.

(2) Mineral Resources have an effective date of 3 December, 2024. The Qualified Person for the Borden, Hoyle Pond and Pamour estimates is Mr. Eric Kallio, P.Geo., an independent Qualified Person. The Qualified Person for the Dome estimate is Dr. Ryan Barnett, P.Geo., an employee of Resource Modeling Solutions Ltd.

(3) Mineral Resources that are considered amenable to underground mining methods at Borden are constrained within conceptual mineable shapes that use the following input parameters: gold price of US$2,000/oz Au, mining costs of US$120.08/t mined, process costs of US$18.30/t processed, general and administrative costs of US$31.58/t processed, variable metallurgical recoveries by mining zone ranging from 81.08–93.64%, refining costs of US$0.98/oz Au, dilution percentages that vary by mining zone, ranging from 18–25%, and a 4.6% royalty. Mineral Resources are reported at varying cut-off grades by mining zone, ranging from 3.3–4.2 g/t Au.

(4) Mineral Resources that are considered amenable to open pit mining methods at Dome are constrained within a pit shell that uses the following input parameters: gold price of US$2,000/oz Au, mining costs of US$3.85/t mined, process costs of US$18.75/t processed, general and administrative costs of US$3.86/t processed, average 91% metallurgical recovery, refining costs of US$0.94/oz Au, and pit slope angles of 45º. Mineral Resources are reported above a 0.40 g/t Au cut-off.

(5) Mineral Resources that are considered amenable to underground mining methods at Hoyle Pond are constrained within conceptual stope designs that use the following input parameters: gold price of US$2,000/oz Au, mining costs of US$371.55/t mined assuming longitudinal long-hole retreat methods and US$277.33/t mined assuming underhand cut-and-fill methods,

process costs of US$45.01/t processed, general and administrative costs of US$47.05/t processed, average 94.3% metallurgical recovery, refining costs of US$0.98/oz Au, dilution percentages that vary by zone and mining method, ranging from 12–194%, and a royalty of 8.0%. The Mineral Resource estimate is reported at a cut-off grade of 12.3 g/t Au in the stopes assumed to be mined using longitudinal long-hole retreat methods and 6.05 g/t Au in the stopes assumed to be mined using underhand cut-and-fill.

(6) Mineral Resources that are considered amenable to open pit mining methods at Pamour are constrained within a pit shell that uses the following input parameters: gold price of US$2,000/oz Au, mining costs of US$5.50/t mined, process costs of US$23.70/t processed, general and administrative costs of US$10.47/t processed, average 91% metallurgical recovery, refining costs of US$0.94/oz Au, and pit slope angles of 25º in overburden and 45º in rock. Mineral Resources are reported above a 0.53 g/t Au cut-off.

(7) Estimates have been rounded. Grades and contained metal content are presented as weighted averages.

(8) This table is not additive to any of Table 1-1, Table 1-2, Table 1-3, or Table 1-4.

(9) Factors that may affect the Mineral Resource estimates include: metal price and exchange rate assumptions; changes to the assumptions used to generate the gold grade cut-off grade; changes in local interpretations of mineralization geometry and continuity of mineralized zones; changes to geological and mineralization shapes, and geological and grade continuity assumptions; changes to assumptions as to locations of historical voids and their impacts on estimation and confidence classifications; specific gravity and domain assignments; changes to geotechnical, mining, mining dilution, and metallurgical recovery assumptions; changes to the input and design parameter assumptions that pertain to the conceptual pits constraining the Pamour and Dome estimates; changes to the input and design parameter assumptions that pertain to the conceptual stope shapes constraining the Borden and Hoyle Pond estimates; and assumptions as to the continued ability to access the site, retain or obtain mineral and surface rights titles, maintain or obtain environment and other regulatory permits, and maintain or obtain the social license to operate.

Mining Methods

The 2024 PEA mine plan is partly based on Inferred Mineral Resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be classified as Mineral Reserves, and there is no certainty that the 2024 PEA based on these Mineral Resources will be realized.

The 2024 PEA mine plan assumed conventional underground and open pit operations, and the use of conventional equipment. Production included in the 2024 PEA comes from the Borden, Hoyle Pond and Pamour mines. The proposed total mine life will be 22 years, from 2025–2047. Hoyle Pond underground mine will operate from 2025–2035, Borden underground mine from 2025-2033 and Pamour open-pit mine from 2025–2046. Stockpiled material from Pamour will be rehandled in 2047 to the process plant. No production is assumed from Dome. The 2024 PEA is based on the sub-set of the Mineral Resource estimate in Table 1-6. The production forecast used in the 2024 PEA is displayed in Figure 1-1.

Mill feed from all operations will be hauled to the Dome process plant via on-road trucks from the Borden mine and mine trucks from the Pamour and Hoyle Pond mines.

<u>Borden</u>

The Borden deposit is accessed via a main ramp from surface. There will be six mining zones, accessed using 15 m-spaced mining levels. Each zone has a central access. Secondary egress is via the fresh air raise. The overall mining sequence in each zone is a bottom-up retreat towards the central access in a chevron pattern.

Table 1-6: Subset of Mineral Resource Estimate in 2024 PEA Mine Plan

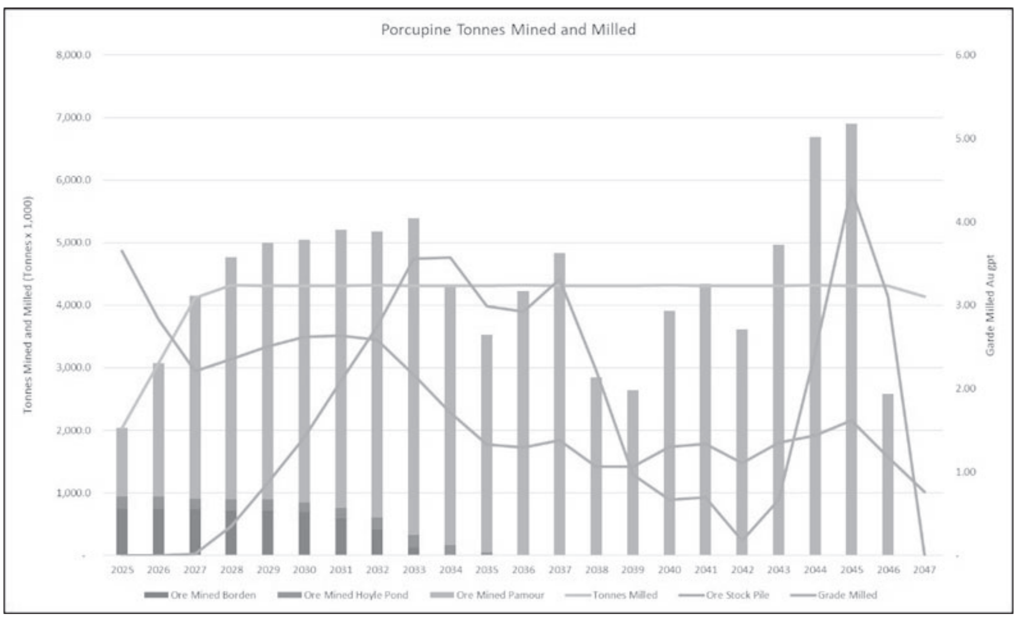
Deposit	Classification	Tonnage (kt)	Grade (g/t Au)	Contained Metal (koz)
Borden	Measured	1,471	6.17	292
	Indicated	2,274	6.15	449
	Sub-total Measured + Indicated	3,745	6.16	741
	Inferred	1,372	5.22	230

Deposit	Classification	Tonnage (kt)	Grade (g/t Au)	Contained Metal (koz)
Hoyle Pond	Measured	—	—	—
	Indicated	1,167	12.90	484
	Sub-total Measured + Indicated	1,167	12.90	484
	Inferred	578	15.24	283
Pamour	Measured	—	—	—
	Indicated	64,755	1.30	2,704
	Sub-total Measured + Indicated	64,755	1.30	2,704
	Inferred	23,264	1.34	1,002

Note:

Footnotes to Table 1-1, Table 1-3 and Table 1-4 also apply to this table. The Qualified Person for the subset of the Mineral Resource estimate used in the 2024 PEA mine plan is Mr. Pierre Rocque, P.Eng., Rocque Engineering Inc. Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability. Estimates have been rounded. This table is not additive to Table 1-1, Table 1-3, Table 1-4, or Table 1-5.

Figure 1-1: 2024 PEA LOM Production Schedule



Note: Figure prepared by Discovery Silver, 2024.

Longitudinal long-hole retreat stoping method with primarily unconsolidated rock fill or cemented rock fill is the only method in place at Borden. The planned throughput is approximately 2,000 t/d. Waste generated at the mine is used in the backfill process, mostly as loose rockfill; however, the backfill material must be trucked from Dome, since there is no waste backfill materials on site anymore.

Rock mass classification ranges from Fair to Good. Geomechanical domaining is divided between an East and West domains, based on drill hole logging results. Ground support requirements are based on semi-empirical methods and consist of rebars and friction bolts. Crown pillar stability was assessed in 2017 with no potential issues identified. A comprehensive Ground Control Management Plan is in place.

A maximum material movement of approximately 3,200 t/d is scheduled in the 2024 PEA, with a maximum of two stope mucking activities with truck load-out at any one time. There is a mix of Owner and contractor diesel and battery-electric equipment. Load–haul–dump vehicles load the stoping and development material into a 40 t haulage truck, which transports the material to a designated location on surface where it is subsequently loaded into a surface road haulage truck.

The mill feed material hauled to the Dome process plant via Highway 101 over a distance of approximately 190 km. This activity is performed by an external contractor who is under contract until June 2029. The current equipment fleet is sufficient for the 2024 PEA LOM plan.

Fresh air is pulled from surface down a fresh air raise to the second ramp on 255L. Return air exhausts via the internal ramps to the main ramp to the surface portal. To support future production, a new return air raise reaching surface will be required. Studies are underway to finalize the design and location in 2025. Once the planned return air raise is completed, the system will become "pull-push".

Backfill material is mostly waste rock, with some stopes requiring cemented rockfill.

Intersected faults have resulted in localized damp or dripping conditions underground but there are no indications of water inflow under pressure.

Hoyle Pond

Surface access is provided by two ramps (the Hoyle Pond ramp and the 1060 Zone ramp) and by #1 Shaft (8.5 m by 2.4 m) in combination with #2 Winze (5.5 m diameter concrete-lined). The two ramps connect at the 200L mine horizon. Main levels are spaced 24 to 40 m, with sub-levels spaced between 12 to 20 m apart (vertically, floor to floor). Future sub-levels are planned at 18 m spacing. The current development plan extends down to 2290L for the S Zone and 1840L for the XMS Zone.

Two mining methods are used at Hoyle Pond: longitudinal long-hole retreat stoping above 1900L and underhand cut and fill, mainly for the S-vein below 1900L. Main haulage levels are typically driven at 60 m intervals.

Measurements of rock strength, RQD, structural joint set and foliation form the basis of rock mass classification. Currently, both RMR89 (60-70) and Q' (20-10) systems are used. Geomechanical domaining is mining zone-based with consideration for rock type and primary structural controls. Ground support requirements are based on semi-empirical methods, and typically consist of resin rebar rock bolts, and Swellex bolts where required. A comprehensive Ground Control Management Plan is in place.

The material handling system capacity is approximately 2,200 t/d. Blasted muck is hauled up the ramp and dumped either on 1330L or 1600L, where rock breakers are located. Muck is then loaded into 12 t skips on the 1670L loading pocket (#2 Winze) through a conveyor. The muck is skipped to 720L at a 190 t/h hoisting rate and trammed across to #1 Shaft via 8 t cars, where it is hoisted to surface in 8 t skips at a 140 t/h skipping rate. Surface trucks haul the mineralization to the Dome process plant, located approximately 17 km from the mine. The current equipment fleet is sufficient for the 2024 PEA LOM plan.

A ventilation expansion below 1900L was completed at the end of 2023. An extension is planned from 1900L down to 2080L in the S Zone with additional ventilation and egress raises. Approximately 250 m3/s flows to the mine and booster fans located near the 900L assist in flow redistribution.

Backfill is supplied via a surface paste fill plant.

No significant water inflow zones have been intersected at depth in the mine.

Pamour

The proposed Pamour open pit will use conventional open pit mining methods and a truck-and-shovel operation. Two 6030 Cat shovels will be used as the main loading units with 993 and 992 loaders for additional support in loading activities. Mill feed material will be loaded into 785 Cat haul trucks (136 t) and transported to the Dome process plant, located 13 km from Pamour. Waste will be transported to either a waste rock storage facility (WRSF) or to a separate overburden pile.

Haul roads were designed at a width of 33.2 m. The maximum grade of the haul roads will be 10%, except for the lower benches where the grade was increased to 12% and the ramp width was narrowed to 20.75 m to minimize waste stripping.

For the 2024 PEA, all slopes were designed using a 52° inter-ramp slope angle for bedrock and 25° for overburden slopes.

A low-grade stockpile is planned during years when mine production will allow mining rates beyond the mill capacity. The low-grade stockpile will be used to supplement mill feed during high stripping periods of the pit phases. Grades >1.0 g/t Au will be fed directly to the process plant and material grading 0.53–1.0 g/t Au will be hauled to the stockpile. Blocks near voids were diluted to account for the percentage of the block that had been mined-out from the historic underground mining. For the 2024 PEA mine plan, no further external dilution was applied to the Pamour mine schedule.

Benches will be blasted and mined on 9 m levels. Buffer rows and pre-shear are planned for controlled blasting and minimize damage to the highwalls.

In order to dewater the Pamour open pit, a new water treatment plant was completed at the end of 2022 and began discharging in 2023. Pit dewatering rates were modelled using a GoldSim model.

WRSFs were designed to minimize surface disturbance and backfill mined-out pits where future mining is not anticipated. The West and Northwest WRSFs cover historical tailings storage facilities and will require permitting approval for their construction.

A new fleet of production equipment has already been purchased for the Pamour open pit, including shovels, loaders, drills, dozers, haul trucks and a grader. Equipment from the currently suspended Hollinger operations that are assessed as in "good" or "fair" condition are only required as spares and or parts for the new fleet. Two additional shovels, two production drills and seven haul trucks are planned to be purchased in the later years of the mine plan.

Recovery Methods

The process plant is based on a robust metallurgical flowsheet designed for optimum recovery with minimum operating costs. The flowsheet is based upon unit operations that are well proven in industry.

Mining and milling operations at the Dome site date from 1910, with the current process plant built in the early 1980s. The original carbon-in-pulp (CIP) circuit was constructed in 1988 and in 1995, a new crushing circuit, additional leach tanks, a new CIP circuit, and a second grinding line were added. In 2004, the process plant was expanded by adding a rod mill to B Circuit to handle mineralization from the Pamour open pit. Following the 2004 expansion, the plant flowsheet has remained relatively constant.

The Dome process plant consists of a three-stage crushing circuit and two parallel rod mill and ball mill circuits ahead of a single leach and CIP circuit. The plant has a permitted capacity of up to 15,000 t/d, and the 2024 PEA assumes a 12,000 t/d maximum throughput. Operating capacity depends on the proportion of the feed sources but is approximately 3.9 Mt/a at the current feed blend with A circuit able to handle 3,300 t/d and B circuit 7,700 t/d. In the mid-2000s, the plant operated at 4.3 Mt/a with A circuit at 3,360 t/d and B Circuit at 8,400 t/d when processing Hoyle Pond, Pamour, and some Dome stockpile materials. Throughput reduced in 2022 to approximately 3.0 Mt/a due to maintenance issues that began that year.

The process plant operates 24 hours per day, 365 days per year and recovers approximately 92% of the gold in the combined mill feed.

Newmont planned an adjustment to the grinding circuit, which would increase the current P80 of the grinding circuit product from 120 µm to 140 µm due to the hardness of the Pamour open pit material and the comparatively higher crusher work index of this material versus the other mill feed materials. Additional testwork will be completed by Discovery Silver following the anticipated closing of the acquisition to maintain the grind at P80 120 µm or reduce it further to 90 µm to maintain or increase metallurgical recovery. Throughput capacity of the Dome process plant is primarily dependent on the characteristics of the feed blend constituents. Throughput can be impacted through reduced crushing circuit availability caused by the presence of contaminants from the Hollinger open pit reclaim stockpile (e.g. wood, steel, rubber from old underground workings, and blasting mats). A simple power-based throughput model was developed in 2020 and revised in 2023 to estimate the throughput capacity of the two grinding circuits at current and future blends as well as individual mineralization constituents. This model considers the comminution characteristics of each material type and the installed power in the crushing and grinding circuits; this was calibrated, based on observed differences between the two grinding lines. This model was conservative and will be re-analyzed by Discovery Silver following closure of the acquisition.

The main 120 kV power lines feeding the Dome property are owned by Hydro One. Distribution lines and transformer stations are located throughout the property to provide electrical power to various site components. A total of 12 MW is fed to the site.

Water is reclaimed from the tailing impoundment area and returned to the milling circuit as mill water. Water reclaimed from the tailings impoundment area represents approximately all the process water requirements. If additional water is required, fresh water can be used.

Reagents and media used in the process plant include circuit rods, ball mill media, cyanide, flocculant, carbon, lime, caustic, anti-scalant, dust suppressant, oxygen, Calfoam, lead nitrate, and leach-aid.

Project Infrastructure

The major infrastructure required to support operations is built, and operating. Key components are summarized in Table 1-7.

The Hollinger open pit has five associated WRSFs. The waste is not acid-generating. Two facilities are planned for the Pamour open pit. The WRSF capacity planned for Pamour is sufficient for the 2024 PEA LOM plan.

Table 1-7: Key Infrastructure

Mine	Key Infrastructure
Borden	Underground mine with portal and ramp access; low-grade stockpile; mine backfill plant; ventilation and emergency egress; water supply and distribution network, both on surface and between surface and the underground mine; electrical workshop; maintenance workshop; warehouse; administrative buildings for operational management, safety and training facilities, and logistics support; fuel offloading and surface storage facilities; exploration and core analysis facilities; laydown and storage area; surface water management systems, including a surface water pond for underground dewatering; 6 km long, 25 kV power distribution line from a transformer station near Chapleau, connecting to Hydro One transmission lines through a 115 kV transmission line.
Dome	Open pit mine (historical); underground mine with No. 8 shaft (decommissioned; used for ventilation); power supply infrastructure, with power transformers and site wide power distribution; workshop and maintenance buildings; warehouse; administration building; site access roads for light vehicles and haul roads for ore delivery to the dome mill from various operations from Porcupine Complex; assay laboratory; security gatehouse; processing facilities; fuel storage and dispensing facilities; administrative buildings and facilities; exploration facilities, including core shack; surface water collection and management systems.

Mine	Key Infrastructure
Hoyle Pond	Underground mine with two decline ramps and one four compartment shaft; mine backfill plant; ventilation and emergency egress; waste stockpile; mine offices; outdoor laydown area
Pamour	Open pit; four WRSFs; administrative buildings; dewatering wells; water treatment plant and plant discharge points

There is one active tailings storage facility (TSF), the No. 6 Tailings Area, located south of the Dome Mill. The facility has sufficient capacity to 2038, and will store an estimated 176 Mt of tailings. Post 2038, production will require tailings construction that has been conceptualized for future deposition. An area for the proposed facility has been identified and study work has begun.

Containment structures include the North Dam, East Dams, South Dam, South Dam Extension, West Dam and Emergency Spillway. To support additional tailings from the processing of Pamour material the No. 6 Tailings Area perimeter dams will be raised and buttressed.

The free contact water pond from within the No. 6 Tailings Area will be transitioned away from the North Dam towards the centre of the No. 6 Tailings Area. Installed monitoring systems include: vibrating wire piezometers, Shape Acceleration Arrays (real-time data acquisition), pneumatic piezometers (monthly), inclinometers (real-time), monitoring wells (quarterly), and bathymetric surveys (semi-annually).

Surveillance inspections are performed five times daily. Newmont commissioned a number of recent TSF reviews, with no significant issues noted.

Process water is primarily sourced from the TSF. Water for gland make-up is taken from Porcupine Lake, and the lake can be used as a back up supply if needed. Water ponds provide water for mining uses such as dust suppression. Potable and shower/sanitary water is provided, depending on the operations as bottled water, from wells, or from the City of Timmins water supply.

Contact water management includes ponds, sediment ponds, former TSFs, and engineered collection ditches.

There are no accommodations camps associated with the operations. Employees and contractors reside or are accommodated in towns immediately adjacent the operations or in other regional centres.

Power is sourced from the provincial grid. The current average daily demand at Borden is 5.7 MW. The current average daily demand at Dome is 13 MW and the infrastructure can support a 22 MW average daily demand. Hoyle Pond Underground average daily demand is 11 MW. Pamour average daily demand is an additional 2 MW. Once the Pamour open pit is running, average daily demand is forecast to increase to 3.5–4 MW. There is sufficient capacity for the 2024 PEA LOM plan.

Environmental, Permitting and Social Considerations

<u>Environmental Considerations</u>

The Porcupine Complex comprises a set of operating mines, which, in the Timmins area, have at least 100 years of operating history. Environmental regulations and awareness has progressed significantly from the beginning of the various mining activities. Over time, baseline studies, various improvement and legacy reclamation initiatives, and other activities to ensure compliance as regulatory regimes change were undertaken. As the mine and plant sites have continued to operate, and in some cases, expand, supporting environmental studies were completed to assess site environmental conditions, and to support permit applications and decision-making processes.

The Project area has been subject to extensive baseline, environmental monitoring, and technical studies, as per provincial and federal regulatory requirements. Depending on the deposit, when the survey was conducted, and the permitting regime in place at the time, studies have included topography, physiography, and geology; hydrology and hydrogeology; soil; surface water and groundwater quality; vegetation; wildlife; air quality; noise; threatened, endangered, species at risk; waste rock characterization studies; groundwater modelling; geochemical studies; archaeological and heritage; and First Nations. The survey results, where applicable, supported permit applications for mining operations and continue to support the ongoing mining activities and permit renewals.

Monitoring of various environmental factors is in place, and has generated an extensive environmental dataset that supports site management.

The Porcupine Complex includes one active and a number of inactive/legacy tailings areas. Engineers of Record have been assigned to all Tailings Management Areas, and regular Dam Safety Inspection and Dam Safety Reviews are conducted at the facilities. Results of the inspections and reviews are used to guide the management of the active and inactive facilities. An Independent Tailings Review Board was established for the Porcupine No. 6 Tailings Area (the active Dome mine TSF) in 2020. Observations and recommendations from the Independent Tailings Review Board are assigned a priority and actioned for correction or improvement through the implementation of an action plan. The Porcupine Complex has adopted the Mining Association of Canada Towards Sustainable Mining Standard (MAC TSM) and the Global Industry Standard on Tailings Management (GISTM) and has been implementing requirements of the GISTM on all of its TSFs. The TSFs are in various stages of implementation of the requirements of the standard. Dam safety inspections and reviews at the Report date had not identified any significant issues that would impact the operations or the 2024 PEA LOM plan.

Closure

In Ontario, Closure Plans are regulated under the Ontario Mining Act, and contents of the plan are regulated under Ontario Regulation 35/24 Rehabilitation of Lands. Closure Standards are specified in the Mine Rehabilitation Code of Ontario, most recently updated in April, 2024. The contents of closure plans are standardized in the regulation, and plans must contain specified information.

For the Porcupine Complex, 13 Closure Plans have been filed by the Ministry of Mines. Closure costs as registered by the Ministry of Mines total approximately C$223.4 M, of which about C$178 M is associated with current operations. The Porcupine Complex includes a number of historical mine features and hazards that are not required to have a Closure Plan in place since these mines pre-dated the Ontario mine closure regulations. These sites are considered to be under "Progressive Rehabilitation" under the Ontario Mining Act, and rehabilitation plans are in progress to address their closure.

As part of the proposed Project acquisition from Newmont, Discovery Silver made a commitment to assume the following at closing of the transaction, subject to consent from the Province of Ontario to transfer the financial obligations related to closure plans:

- Newmont's environmental obligations related to existing closure plans, including bonding and letters of credit;

- Liabilities at certain legacy sites that are not included in Newmont's current closure plans;

- Obligations related to ongoing and future mining operations, including those in support of progressive reclamation.

Some legacy mine hazards are not included in the filed closure plans, since they were in place prior to the Mining Act closure regulations promulgation; however progressive rehabilitation plans and programs are in place for these features and costs associated with that work is part of the economic analysis in this Report, and included in the capital cost estimates.

Permitting Considerations

All permits are in place for the activities taking place at the operating sites.

Social Considerations

Newmont has agreements in place with several Indigenous Communities and Metis communities who have treaty and Indigenous rights asserted within the areas in which Newmont Porcupine operates or has legacy sites.

On 20 November, 2024, a statement of claim was filed by the Taykwa Tagamou Nation against the Government of Ontario, including the Ministry of Mines and Ministry of the Environment, which alleges, among other things, that the Government of Ontario failed to adequately consult the Taykwa Tagamou Nation regarding certain permits issued with respect to the Pamour Mine. Newmont and Goldcorp Canada Ltd. were named as defendants in this action. The Government of Ontario has filed its Notice of Intention to Defend as of November 22, 2024, and Newmont filed their Notice of Intention to Defend as of January 15, 2025.

Porcupine Complex personnel undertake ongoing discussions and consultation with regulatory authorities, as required, in preparation for permit applications, as well as with respect to compliance management and required regulatory reporting.

Markets and Contracts

No market studies are currently relevant as the Porcupine Complex is operating, and it is producing a readily saleable commodity in the form of doré, with the principal commodity being gold.

Commodity prices used in Mineral Resource estimates and in the PEA economic analysis are set by Discovery Silver corporately. The gold price provided for Mineral Resource estimation is US$2,000/oz Au. The 2024 PEA financial model uses a reverting price curve from 2025 to long-term pricing in 2028, ranging from US$2,576/oz Au in 2025 to US$2,150/oz Au in 2028 and thereafter. Pricing is based on CIBC consensus forecasts.

Major contracts include fuel supply, mine blasting materials and services, heavy equipment supply and rental, transportation services, reagent and consumables, electric power, property security, and surface haulage and contract mining (Borden). Contracts are negotiated and renewed as needed, and currently all material contracts are in place to support the operation. Contract terms are within industry norms, and typical of similar contracts in Ontario that Discovery Silver is familiar with.

Cost Estimates

Unless otherwise noted, the costs are stated in US dollars (US$ or USD), with no allowance for escalation or exchange rate fluctuations.

The cost estimates are reported at a Class 5 classification as set out by AACE International, and are deemed appropriate. Class 5 estimates have a typical variation in low and high ranges at an 80% confidence interval of:

- Low: -20% to -50%;
- High: +30% to +100%.

Capital Cost Estimates

The capital cost estimate consists of various categories:

- Exploration and growth capital: investments specifically to support Mineral Resource additions;
- Development and expansion capital: investments into new infrastructure or plant that would be additional to existing operation;
- Sustaining capital: spending to keep existing assets operating as they are;

- Closure and reclamation capital: spending to close and rehabilitate impacted areas by the operation at the end of the operating life.

Most capital costs in this Report originate from the near-term plans (budgets) and LOM plans prepared by Newmont. A detailed and thorough review and validation process of these estimates took place as part of the multi-step due diligence process by Discovery Silver.

Actual performance cost data were either confirmed as valid, or were adjusted to reflect adjustments to the intended LOM scope and the most current market conditions. The cost estimates were developed using Q3 2024 US dollars.

All capital cost estimates included labor costs appropriate for the scope, taking into consideration the actual track record of productivity and wages locally. The site currently has about 730 employees, and 330 contractors. In terms of hourly versus salaried employees, the split is approximate 40% salaried, and 60% hourly.

Given the different sources and timelines for costs in the estimate, various levels of contingency were applied, ranging from 10–15% for sustaining capital to 25% for long-term development projects.

Table 1-8 summarizes the estimated mine capital costs by mine and reflects the mining method as either an open pit or underground. Exploration capital is estimated at US$93 M. Process costs are summarized in Table 1-9.

General and administrative costs are fully accounted for and presented in the operating cost section. The site currently spends approximately US$34M per year on general and administrative items, and this level of spending is expected to continue. There is no further consideration for general and administrative expenditures in the capital cost estimates. Closure cost estimates are provided in Table 1-10. The LOM capital costs are summarized in Table 1-11 as a LOM total. Capital cost estimates, inclusive of closure and reclamation costs, over the LOM total US$2,385 M.

<u>Operating Cost Estimates</u>

Since the Porcupine Complex is in production, there is a robust database of historical cost data from operations. These data were reviewed and validated in detail by Discovery Silver during the due diligence process. While long term historical information is considered to be indicative rather than currently accurate, the actual costs achieved over the past 12 months are the most relevant in forecasting operating costs.

Mining cost estimates are based on assumed underground mining operations at Hoyle Pond and Borden, and open pit operations at Pamour. In general, the mining costs presented are inclusive of all the normal mining task such as drilling, blasting, loading, hauling and support. Mining operating costs (unit rates and annual spends) are not constant over time due to variations in the mine plans.

Process operating costs are inclusive of power, reagents, consumables, maintenance, labor, mobile equipment, laboratory services and general support services. The process operating cost consists of fixed costs (common to all deposit sources) and variable costs that are specific to each mineralization source. Therefore, the total operating cost for each source is the sum of the fixed and their variable costs.

Infrastructure operating costs not estimated separately. All operating costs related to infrastructure are allocated to either the process plant or each mining operation. The general and administrative operating costs are for the most part fixed cost in terms of the amount spent per year. The current operation spends approximately US$34M per year in general and administrative costs. It is expected that this level of spending will continue for the remainder of the LOM.

Total general and administrative costs are estimated at US$771 M. The unit cost averages approximately US$8.09/t processed.

Table 1-8: Forecast Mine Capital Costs

Mine/Deposit	LOM (US$ M)	Forecast End Mining LOM (year)
Borden	147	2033
Hoyle Pond	175	2035
Pamour	546	2047

Table 1-9: Forecast Process Capital Costs

Area	LOM (US$ M)	Forecast End Process LOM (year)
Process	642	2047
General site infrastructure	61	2047

Table 1-10: Forecast Closure and Reclamation Cost Estimate

Area	Forecast Total Cost (US$ M)
Closure and reclamation	722

Table 1-11: Summary, Capital Cost Estimate Forecasts

Capital Cost	Total (US$ M)
Exploration and growth	93
Development	218
Sustaining	1,369
Closure and reclamation	722
Total	2,385

A summary of the total operating cost forecast is included in Table 1-12. Operating costs for the 2024 PEA LOM plan total US$5,192 M.

Table 1-12: Summary, Operating Cost Estimates

Operating Cost Category	Total (US$ M)
Mining	2,915
Processing	1,507
General and administrative	770
Total	5,192

Economic Analysis

The results of the economic analyses discussed in this section represent forward-looking information as defined under Canadian securities law. The results depend on inputs that are subject to known and unknown risks, uncertainties, and other factors that may cause actual results to differ materially from those presented herein. Information that is forward-looking includes the following:

- Mineral resource estimates;
- Assumptions about commodity prices and exchange rates;
- Proposed mine production plan;
- Projected mining and process recovery rates;
- Assumptions about mining dilution and the ability to mine in areas previously exploited using mining methods as envisaged; the timing and amount of estimated future production;
- Sustaining costs and proposed operating costs;
- Assumptions as to closure costs and closure requirements;
- Assumptions as to environmental, permitting, and social risks.

Additional risks to the forward-looking information include the following:

- Changes to costs of production from what is assumed;
- Unrecognized environmental risks;
- Unanticipated reclamation expenses;
- Unexpected variations in quantity of mineralized material, grade, or recovery rates;
- Accidents, labour disputes, and other risks of the mining industry;
- Geotechnical or hydrogeological conditions during mining being different from what was assumed;
- Failure of mining methods to operate as anticipated;
- Failure of plant, equipment, or processes to operate as anticipated;
- Ability to maintain the social licence to operate;
- Changes to interest rates;
- Changes to tax rates.

The 2024 PEA is preliminary in nature and includes Inferred Mineral Resources that are too speculative geologically to have economic considerations applied to them that would enable them to be categorized as Mineral Reserves, and there is no certainty that the preliminary economic assessment will be realized.

The financial model that supports the 2024 PEA is a standalone discounted cash flow model that calculates annual cash flows based on scheduled production, assumed processing recoveries, metal sales prices, C$/US$ exchange rate of 1 CAD = 0.75 USD, projected operating and capital costs, royalties, impact benefit agreement payments, and estimated taxes. The financial analysis is based on an after-tax discount rate of 5%. All costs and prices are in un-escalated "real" Q4 2024 dollars. The currency used to document the cash flow is US dollars. Cash flows are taken to occur at the mid-point of each period. The Project valuation date basis is January 1, 2025. All costs are based on the historical or actual costs from the Porcupine Complex, adjusted for planned work in 2025 and onwards until the end of the mine life in 2047, including the forecast closure and reclamation obligations beyond the mine life. Revenue is calculated from the recoverable metals and yearly metal price forecasts.

The economic analysis is reported on a 100% project ownership basis. Project acquisition costs are considered to be corporate Discovery Silver costs and are not included in the financial evaluation. Transaction royalty payments based on forecast royalty sale as part of acquisition funding are included in the economic analysis. The financial analysis assumes a reverting price curve from US$2,576/oz Au in 2025 to US$2,150/oz Au in 2028 and thereafter.

Project economics were evaluated on a post-tax basis. The tax model was compiled by Discovery Silver and the calculations assume the existing tax regime as of the effective date of this Report. Value-added tax was outside the Project economic evaluation. Taxes applied included the Canadian corporate income tax (Federal and Ontario Income Tax), which consists of a combined 25% income tax, and the Ontario mining tax, which is applied at 10% on production earnings before interest, taxes, and corporate overhead costs. At the assumed metal prices, total payments are estimated to be US$947 M over the proposed LOM.

The Project valuation date basis was January 1, 2025. A discount rate of 5% was used. The after-tax project NPV is US$1,239 M. The economic analysis does not entail initial capital investment prior to the start of production and of cashflow and so there is no internal rate of return or project payback period relevant to the economic analysis presented.

Project forecast economics are summarized in Table 1-13, and illustrated in Figure 1-2 (Production Forecast) and Figure 1-3 (Post-Tax Free Cash Flow).

Sensitivity Analysis

The sensitivity of the Project NPV to changes in head grade, gold price, metallurgical recovery, and capital and operating cost estimates was tested using a range of up to 23% above and below the base case values. Post-tax sensitivity to those items is shown in Figure 1-4.

The Project is most sensitive to changes in the gold price. Changes in metal prices approximately mirror changes in the gold grade and metallurgical recovery. The Project is less sensitive to changes to operating costs and least sensitive to changes in capital costs.

Risks

<u>First Nations</u>

On 20 November, 2024, a statement of claim was filed by the Taykwa Tagamou Nation against the Government of Ontario, including the Ministry of Mines and Ministry of the Environment, which alleges, among other things, that the Government of Ontario failed to adequately consult the Taykwa Tagamou Nation regarding certain permits issued with respect to the Pamour Mine. Newmont and Goldcorp Canada Ltd. were named as defendants in this action. T The Government of Ontario has filed its Notice of Intention to Defend as of November 22, 2024 and Newmont filed their Notice of Intention to Defend as of January 15, 2025.

<u>Mineral Tenure and Royalties</u>

The mineral tenure, surface rights and royalty data for the Porcupine Complex are multifaceted, consisting of tenures over 100 years old, multiple ownership consolidations, and multiple levels of agreements and royalty interest consolidation as a result of changes to the mineral title regime in Ontario. While verification of the status of the critical claims and material royalties was completed for the Mineral Resource estimates and operating mine areas, a detailed verification was not completed for tenures outside these areas.

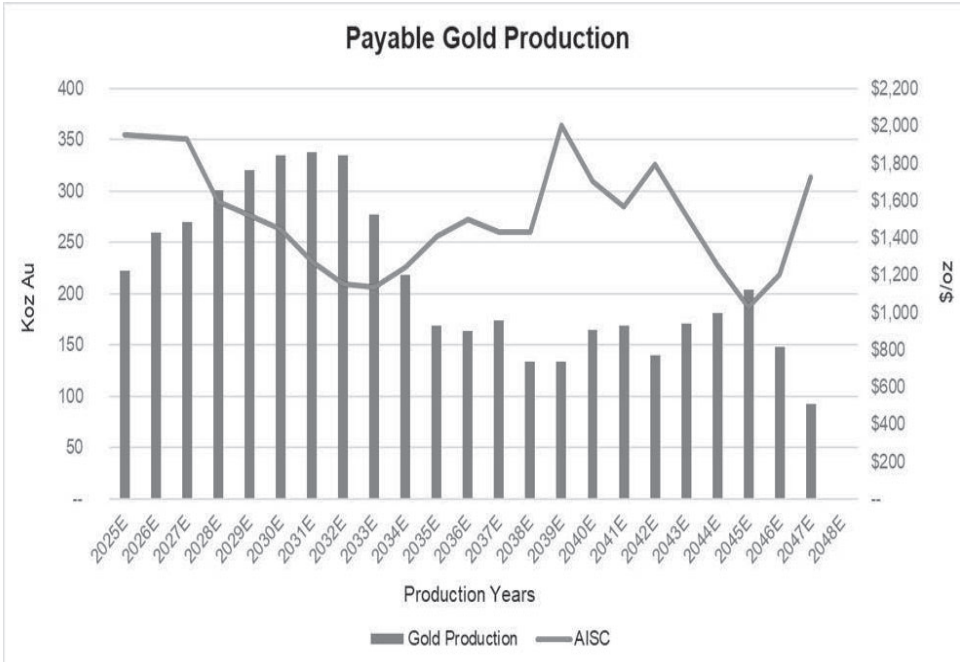
Table 1-13: Cash Flow Summary Table (US$)

Description	Unit	Life-of-Mine Total/Average
General Assumptions		
Gold price (long term)	$/oz	2,150
Discount rate	%	5.0
Production		
Total payable gold	koz	4,919
Operating Costs		
Mining cost, Hoyle Pond	$/t milled	291
Mining cost, Borden	$/t milled	126
Mining cost, Pamour	$/t milled	18.90
Processing cost - average	$/t milled	15.82
Site general and administrative costs	$/t milled	8.09
Cash Costs and All-in Sustaining Costs		
Total cash costs	$/oz Au	1,152
All-in sustaining cost	$/oz Au	1,504
Capital Expenditures		
Development capital	$M	218
Exploration capital	$M	93
Sustaining capital (excl. closure costs)	$M	1,352
Closure costs	$M	722
Economics		
Cumulative cash flow, pre-tax	$M	2,770
Cumulative cash flow, after-tax	$M	1,823
Pre-tax NPV @ 5%	$M	1,874
Post-tax NPV @ 5%	$M	1,239

Note:

Cash costs defined as the sum of the mining, processing, and general and administrative operating costs, Cost Accounting Standards change in inventory, royalty payments and treatment and refining costs. Equates to costs applicable to sales plus treatment and refining costs. All-in sustaining costs include treatment and refining costs, total operating costs (e.g. operating costs including mining, processing and general and administrative, change in inventory, royalty payments, exploration expenses, reclamation accretion, and sustaining capital costs).

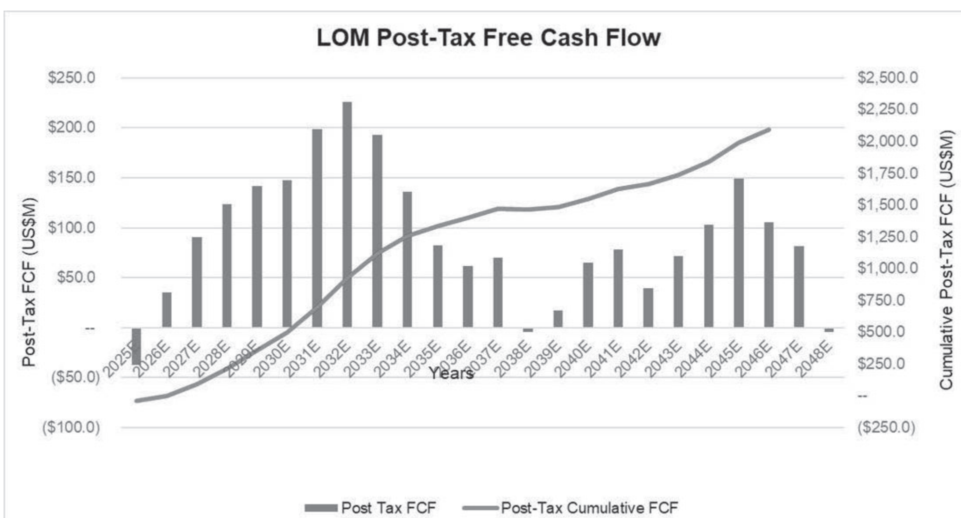
Figure 1-2: LOM Gold Production Forecast



Note:

Figure prepared by Discovery Silver, 2024. AISC = all-in sustaining costs. All-in sustaining costs include treatment and refining costs, total operating costs (e.g. operating costs including mining, processing and general and administrative, change in inventory, royalty payments, exploration expenses, reclamation accretion, and sustaining capital costs).

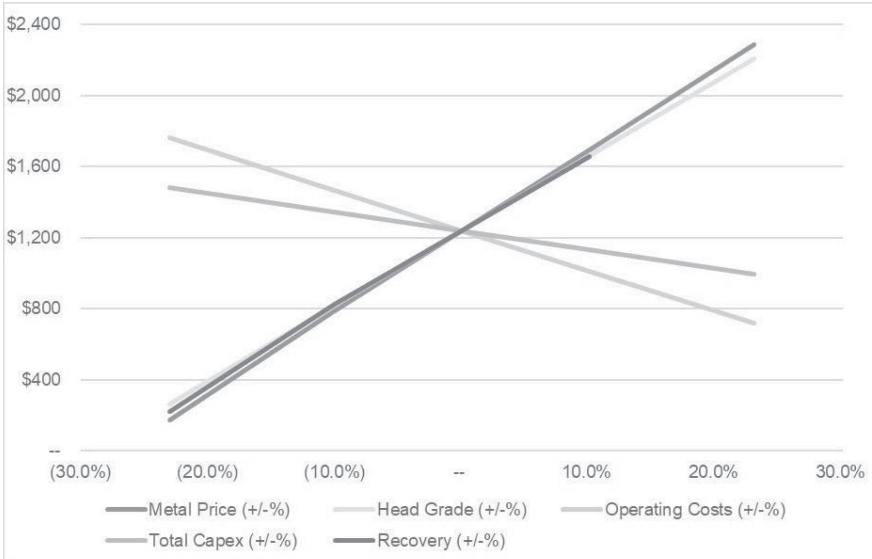
Figure 1-3: LOM Post-Tax Free Cash Flow



Note:

Figure prepared by Discovery Silver, 2024. FCF = free cash flow.

Figure 1-4: Post-Tax Sensitivity Analysis



Note:

Figure prepared by Discovery Silver, 2024. Capex = capital cost estimate. Vertical axis is the post-tax NPV in US$M.

The QPs have relied upon information from Newmont experts for this information. There is a risk that when a detailed audit is performed, issues may be identified, such as: arrears in or non-compliance with provincial reporting obligations; mis-identification of current royalty holders or changes in individual royalty holder interests; mis-correlation of royalty percentages, agreements, and royalty holders on legacy cell or boundary claims to the current claim boundaries; and the status of, or currency of, agreements not being up-to-date.

Mineral Resource Estimates

Specific risks that may affect the individual estimates include:

- Borden: most of the upside for the Mineral Resource estimate appears to lie on the far east side of the deposit and below Borden Lake and will require either drilling on the lake or new development drifts to support upgrades in confidence categories;

- Dome: the Mineral Resource estimate relies partly on historic drill hole data with procedures for assaying, quality control and QA/QC that varied with time, and were not always well documented. Past verification work has indicated some local biases in assay data that have been addressed in new work, but the data are still not fully verified;

- Hoyle Pond: portions of the Mineral Resource are in small sized, narrow blocks with variable gold grades. A significant proportion of the estimate is at depths below 1,800 m below surface;

- Pamour: the Mineral Resource estimate relies partly on historic drill hole data with procedures for assaying, quality control and QA/QC that varied with time, and were not always well documented.

Water Supply, Hoyle Pond

The Hoyle Pond Mine uses fresh water from a surface water source drawn by the neighbouring Glencore Kidd Metallurgical facility. Glencore has announced the closure of that facility in 2026. Alternative freshwater sources will be required, and are actively being considered.

Opportunities

Exploration and Mineral Resource Estimates

Opportunities include:

- Borden: the Borden property contains a large number of prospects hosted within similar rock types to those found at the Borden mine. These prospects have had little to no previous drilling;

- Dome: there is potential to support upgrade of Inferred Mineral Resources to higher confidence categories through additional drilling, evaluating ways to address historical assay biases, and supporting studies. Within the pit and immediate surrounds are areas where the drill spacing is currently insufficient to classify Inferred Mineral Resources, and those blocks are currently treated as waste or are not included in the 2024 PEA plan. Infill drilling and supporting studies are required to support potential resource classification in these areas. There is potential to support estimation of Mineral Resources potentially amenable to underground mining methods with additional drilling and supporting studies;

- Hoyle Pond: numerous areas retain prospectivity, including the S Zone Deep, S Zone Upper, XMS Zone, Owl Creek Zone, TVZ Zone, PST Zone. These areas will require additional drilling and supporting studies to support Mineral Resource estimation;

- Pamour: there is potential to support upgrade of Inferred Mineral Resources to higher confidence categories through additional drilling, evaluating ways to address historical assay biases, and supporting studies. There is potential to support estimation of Mineral Resources potentially amenable to underground mining methods with additional drilling and supporting studies.

Mining

The QP identified the following opportunities to reduce mining costs and improve throughput at all operations, namely:

- At Borden, by:
    - Renegotiating the existing surface haulage contract;
    - Upgrading the underground haulage trucks from 40 t to 50 t;
    - Investigating the implementation of battery electric vehicle underground to reduce the consumption of diesel and support the ventilation upgrade timeline. Governmental funding may be available to partially offset capital costs;
    - Reviewing ground support design;
    - Locating a source of waste rock material on site to meet backfill requirements. This will eliminate the waste rock back-haul from the Dome site;
    - Upgrading backfill procedures;
    - Increasing the volume of fresh air delivered to the underground mine by sinking an exhaust raise;
- At Hoyle Pond, by:
    - Increasing the volume of fresh air delivered to the underground mine;
    - Improving the quality of cemented paste fill and reviewing binder requirements and delivery procedures;

- Identifying and addressing bottleneck(s) of the material handling system;
- Reduce dilution and ground support costs by adopting the underhand cut-and-fill mining method across more areas while re-assessing the sustainability of long hole mining;
- Enhancing automation and expanding the use of tele-remote systems for load–haul–dump operations, especially between shifts;
- Studying an alternative mine design for the extension at depth of the S-vein;
- Evaluating known zones of mineralization (e.g. TVZ), with the support of additional drilling and studies. These zones currently do not have Mineral Resource estimates, and so were not included in the 2024 PEA LOM plan;

- At Pamour, by:
  - Developing short-term plans to reduce or eliminate the waste rock re-handling that is currently taking place to manage dumping of overburden material by mixing the overburden with waste rock;
  - Evaluating an alternative to the current mine truck haulage from Pamour to Dome, such as implementing a conveyor, a Rail-Veyor or a RIINO (electric haulage rail) system. This would reduce operating costs and improve efficiency;
  - Assessing the option of bringing in a contract drilling company for the bedrock pioneering work. This would be a short-term contract for drilling the uneven terrain below the overburden, but may be more efficient with AirTrack drills.

Process

The QP identified the following opportunities in the process discipline area:

- Increase process plant utilization to industry standards:
  - Potential of 30% improvement on A Circuit and 15% on B circuit in comparison to the 2024 performance numbers by completing an investigation into the mill maintenance program and maintenance plan execution;
  - Address ore handling issues with the wet Borden and Hoyle Pond underground muck during winter months;
- Lower process operating costs:
  - Investigate monthly mill operating cost reports to understand why costs are higher than the first principles based budget and make required changes to achieve savings;
- Increase metallurgical recoveries:
  - Address the high solution losses by investigating the carbon handling procedures and practices;
  - Optimize mill feed material grind size (find optimum between possible grind size and recoveries versus marginal operating cost increase). The opportunity of changing grind size from 120 µm to 90 µm represents a 2–2.5% increase in gold recovery;
- Increase mill throughput:

- Addition of dilution water to final tailings box is currently a bottleneck on overall plant throughput. The dilution is added in relation to meeting the cyanide code, while not operating the cyanide destruct circuit.

- Debottlenecking final tailings dilution could allow up to 2,500 t/d more processed material.

Interpretation and Conclusions

Using the assumptions and parameters detailed for the 2024 PEA, which includes Inferred Mineral Resources in the 2024 PEA mine plan, the conceptual economic analysis is positive.

Recommendations

A two-phase work program is planned at an estimated total cost of approximately US$75.9 M.

The first work phase will consist of 1,911 m of extensions to exploration drifts at Borden and Hoyle Pond and construction of drill stations to allow for infill drill programs. It will also include a 600 m long, 5 m diameter, ventilation raise at Borden, and 500 m of exhaust raises at Hoyle Pond. The first work phase is estimated to require a budget of approximately US$31.3 M.

The second work phase will consist of about 990 core holes (about 254,850 m) to be completed at Borden and Hoyle Pond. This drilling is estimated to cost about approximately US$44.6 M. A portion of the program can be conducted concurrently with the first work phase.

RELATED PARTY TRANSACTIONS

From time to time in the ordinary course of NewCo's business, it may contract for services from companies in which certain of its executive officers or directors may serve as a director or advisor. The cost of these services will be negotiated on an arm's length basis and, to the extent they may exist, none of these arrangements are expected to be material to NewCo.

RISK FACTORS

In addition to the other information in this Circular, you should carefully consider the following risk factors in evaluating NewCo's business. If any of the risks discussed in this Circular actually occur, alone or together with additional risks and uncertainties not currently known to NewCo, or that NewCo currently deems immaterial, NewCo's business, financial condition, results of operations and prospects may be materially adversely affected. When assessing these risk factors, you should also refer to the other information contained in this Circular and appended hereto, including NewCo's financial statements and the related notes thereto. You should also carefully review the cautionary statements in this Circular referred to under the heading "Forward-Looking Statements". NewCo's actual results could differ materially and adversely from those anticipated in this Circular.

Fluctuation of Metal Prices

There is no guarantee that a profitable market will exist for the sale of the metals produced from the Porcupine Complex. Factors beyond the control of NewCo may affect the marketability of any such metals. The prices of various metals have experienced significant movement over short periods of time and are affected by numerous factors beyond the control of NewCo, including international economic and political trends, expectation of inflation, currency exchange fluctuations, interest rates and global or regional consumption patterns, speculative activities and increased production due to improved mining and production methods. The supply and demand for metals are affected by various factors, including political events, economic conditions and production costs in major producing regions. There can be no assurance that the price of any minerals contained in deposits will be such that the Porcupine Complex can be mined at a profit. Declining market prices for gold could have a material impact on NewCo's profitability.

Dependency on the Porcupine Complex

Pursuant to the Acquisition, NewCo was formed to hold all of GCL's rights, title and interest in the Porcupine Complex. NewCo will be dependent on the Porcupine Complex as this will be its only current mining assets. Consequently, a delay or difficulty encountered in the operations of the Porcupine Complex would materially and adversely affect NewCo's financial condition and financial sustainability. Any adverse changes or developments affecting the Porcupine Complex, including, but not limited to, obtaining financing on commercially suitable terms or hiring suitable personnel, may have material adverse effect on NewCo's financial performance, result of operations and liquidity. In addition, NewCo's business and result of operations could be materially and adversely affected by any events which cause the Porcupine Complex to operate at less than optimal capacity, including, among other things, shortages of manpower, power outages, equipment failure or shortages of spares, consumables and reagents, adverse weather, serious environmental and safety issues, any permitting or licensing issues and any failure to produce the expected amount of gold.

Uncertainty of Mineral Resource Estimates

There are numerous uncertainties inherent in estimating quantities of mineral resources and grades of mineralization, including many factors beyond our control. In making determinations about whether to advance any of its projects to development, NewCo must rely upon estimated calculations as to the mineral resources, mineral reserves (if any) and grades of mineralization of its properties. Until ore is actually mined and processed, mineral reserves (if any), mineral resources and grades of mineralization must be considered as estimates only. These estimates are imprecise and depend upon geological interpretation and statistical inferences drawn from drilling and sampling which may prove to be unreliable. NewCo cannot provide assurance that mineral reserves (if any), mineral resources or other mineralization estimates will be accurate or that mineralization can be mined or processed profitably. Any material changes in mineral resource estimates, mineral reserves estimates (if any), and grades of mineralization will affect the Porcupine Complex's return on capital. The estimates of mineral resources have been determined and valued based on various assumptions, including future prices, cut-off grades and operating costs and various geological and lithographical interpretations that may prove to be inaccurate.

Mineral resources are not mineral reserves and have a greater degree of uncertainty as to their existence and feasibility. There is no assurance that mineral resources will be upgraded to proven or probable mineral reserves.

Mineral Resources do not have Demonstrated Economic Viability

Mineral resources that are not mineral reserves do not have demonstrated economic viability. There is no assurance that the mineral resources set out in this Schedule "B" will ever be classified as proven or probable mineral reserves as a result of continued exploration. In addition, mineral resources that are classified as inferred mineral resources are considered too speculative geologically to have economic considerations applied to them to enable them to be categorized as mineral reserves. Due to the uncertainty which may attach to inferred mineral resources, there is no assurance that the estimated tonnage and grades as stated will be achieved or that they will be upgraded to measured and indicated mineral resources or proven and probable mineral reserves as a result of continued exploration.

Production Estimates

The Porcupine Technical Report contains estimates of future gold production for the existing and future mines comprising the Porcupine Complex. NewCo cannot give any assurance that such estimates will be achieved. Failure to achieve production estimates could have an adverse impact on NewCo's future cash flows, profitability, results of operations and financial conditions. The realization of production estimates is dependent on, among other things, the accuracy of mineral reserve (if any) and resource estimates, the accuracy of assumptions regarding ore grades and recovery rates, ground conditions (including hydrology), the physical characteristics of ores, the presence or absence of particular metallurgical characteristics, and the accuracy of the estimated rates and costs of mining, ore haulage and processing. Actual production may vary from estimates for a variety of reasons, including the actual ore mined varying from estimates of grade or tonnage; dilution and metallurgical and other characteristics (whether based on representative samples of ore or not); short-term operating factors such as the need for sequential development of ore bodies and the processing of new or adjacent ore stopes from those planned; mine failures or slope failures; industrial accidents; natural phenomena such as inclement weather conditions, floods, droughts, rock slides and earthquakes;

encountering unusual or unexpected geological conditions; changes in power costs and potential power shortages; shortages of principal supplies needed for mining operations, including explosives, fuels, chemical reagents, water, equipment parts and lubricants; plant and equipment failure; the inability to process certain types of ores; labour shortages or strikes; and restrictions or regulations imposed by government agencies or other changes in the regulatory environment. Such occurrences could also result in damage to mineral properties or mines, interruptions in production, injury or death to persons, damage to property of NewCo or others, monetary losses and legal liabilities in addition to adversely affecting mineral production. These factors may cause a mineral deposit that has been mined profitably in the past to become unprofitable, forcing NewCo to cease production.

Mineral resources and mineral reserves (if any) are reported as general indicators of mine life; however, this should not be interpreted as assurances of mine life or of the profitability of current or future operations.

NewCo is currently, and expects to continue to be, dependent on the Porcupine Complex for all of its commercial production. Any adverse conditions affecting mining, processing conditions, expansion plans or ongoing permitting at the Porcupine Complex could have a material adverse effect on NewCo's financial performance and results of operations.

Porcupine Complex Combined Financial Statements

NewCo believes that management has made reasonable assumptions underlying the Porcupine Complex's combined financial statements, including reasonable allocations of corporate expenses, such as expenses related to employee benefits, finance, human resources, legal, information technology and executive management. However, because such financial statements are based on certain assumptions, the financial statements may not reflect what the financial position, results of operations or cash flows would have been had the Porcupine Complex been operated as a stand-alone business during the historical periods presented or what NewCo's financial position, results of operations or cash flows will be in the future.

Operating Hazards and Other Uncertainties

NewCo's business operations are subject to risks and hazards inherent in the mining industry. The exploration for and the development of mineral deposits involves significant risks, including:

- environmental hazards;
- discharge of pollutants or hazardous chemicals;
- industrial accidents;
- labor disputes and shortages;
- supply and shipping problems and delays;
- shortage of equipment and contractor availability;
- unusual or unexpected geological or operating conditions;
- fire;
- changes in the regulatory environment; and
- natural phenomena such as inclement weather conditions, floods and earthquakes.

Failure to Achieve Capital and Operational Cost Estimates

Decisions about the development and mining of NewCo's mineral properties in the future will ultimately be based upon technical studies. Technical studies derive estimates of cash operating costs based upon, among other things:

- anticipated tonnage, grades and metallurgical characteristics of the ore to be mined and processed;

- anticipated recovery rates of gold and other metals from the ore;

- cash operating costs of comparable facilities and equipment; and

- anticipated climatic conditions.

It is important to note that the economic parameters described in technical studies include a number of assumptions and estimates that could prove to be incorrect. For example, capital costs, operating costs, production and economic returns and other estimates contained in studies or estimates prepared by or for NewCo, may differ significantly from those anticipated by current studies and estimates and there can be no assurance that NewCo's actual operating costs will not be higher than currently anticipated. NewCo's actual costs may vary from estimates for a variety of reasons, including: short-term operating factors; revisions to mine plans; risks and hazards associated with mining; natural phenomena (such as inclement weather conditions, water availability, floods and earthquakes); the outbreak of communicable diseases; and unexpected labour shortages or strikes. Operational costs may also be affected by a variety of factors, including: changing waste-to-ore ratios; ore grade metallurgy; labour costs; the cost of commodities; general inflationary pressures; currency exchange rates; availability and terms of financing; difficulty of estimating construction costs over a period of years; delays in obtaining environmental or other government permits; and potential delays related to social and community issues. Many of these factors are beyond NewCo's control. Failure to achieve estimates, or material increases in costs, could have an adverse impact on NewCo's future cash flows, business, results of operations and financial condition.

Furthermore, delays in permitting or the approval of mine plans or other technical difficulties may result in even further capital expenditures being required. Any such delay, cost overruns or operational difficulties may have a material adverse effect on NewCo's business, results of operations and financial condition.

Liquidity and Financing

While NewCo expects to be well capitalized following the Acquisition Closing, there can be no assurance that sufficient additional funding or financing will be available to NewCo on acceptable terms, or at all, for further exploration or development of its properties or to fulfill its obligations under any applicable agreements. Disruptions in the capital and credit markets as a result of uncertainty, geopolitical events, changing or increased regulation of financial institutions, reduced alternatives or failures of significant financial institutions could adversely affect NewCo's access to the liquidity needed for the business in the longer term. Failure to obtain such additional funding could result in the delay or indefinite postponement of the exploration and development of NewCo's properties.

NewCo May Require Additional Permits

The operations of NewCo require licenses and permits from various governmental authorities. Prior to the Acquisition Closing, NewCo expects to have all permits and licenses that it believes are necessary to carry out its current exploration, development and mining operations at the Porcupine Complex. NewCo may require additional licenses or permits in the future and there can be no assurance that NewCo will be able to obtain all such additional licenses and permits. In addition, there can be no assurance that any existing licenses and permits will be renewable if and when required or that such existing licenses and permits will not be revoked. The inability to obtain or renew the licenses and permits required to continue the operations of NewCo could adversely affect NewCo's business.

Mining Industry is Intensely Competitive

NewCo's business is the acquisition, exploration, development and exploitation of mineral properties. The mining industry is intensely competitive and NewCo competes with other companies that have greater financial resources, more significant investments in capital equipment and mining infrastructure for the ongoing development, exploration and acquisition of mineral interests, as well as for the recruitment and retention of qualified employees.

Infrastructure

Mining, processing, development and exploration activities depend, to one degree or another, on adequate infrastructure. Reliable roads, bridges, power sources and water supplies are important determinants, which affect capital and operating costs. Unusual or infrequent weather phenomena, sabotage, government or other interference in the maintenance or provision of such infrastructure could adversely affect NewCo's business.

NewCo's Insurance Coverage

NewCo's business is subject to several risks and hazards (as further described herein). NewCo maintains, or expects to maintain upon the Acquisition Closing, limited insurance to protect against the potential risks associated with its activities, including mining operations. NewCo maintains, or expects to maintain, insurance in such amounts as it considers to be reasonable; however, such insurance may not cover all the potential risks associated with its activities, including mining operations. NewCo may not be able to obtain or maintain insurance to cover its risks at economically feasible premiums, or at all. Insurance coverage may not continue to be available or may not be adequate to cover any resulting liability. Moreover, insurance against risks such as environmental pollution or other hazards because of exploration or production may not be available to NewCo on acceptable terms. NewCo might also become subject to liability for pollution or other hazards which it does not insure against or in the future may not insure against because of premium costs or other reasons. Losses from these events may cause NewCo to incur significant costs which could have a material adverse effect on NewCo's business, financial condition, results of operations or prospects.

Title Defects

Title to NewCo's properties may be challenged or impugned. NewCo's property interests may be subject to prior unregistered agreements or transfers and title may be affected by undetected defects. In accordance with the laws of the jurisdiction in which such properties are situated, their existence and area could be in doubt.

A claim by a third party asserting prior unregistered agreements or transfer on any of NewCo's properties could result in NewCo losing a commercially viable property. Even if a claim is unsuccessful, it may potentially affect NewCo's current operations due to the high costs of defending against the claim and its impact on NewCo's senior management's time. Title insurance is generally not available for mineral properties and NewCo's ability to ensure that NewCo has obtained a secure claim to individual mineral properties or mining concessions may be severely constrained. In certain cases, NewCo relies on title information and/or representations and warranties provided by the grantor of a particular property or concession. If NewCo loses a commercially viable property, such a loss could lower NewCo's future revenues or cause NewCo to cease operations if the property represented all or a significant portion of NewCo's mineral reserves at the time of the loss.

Government Regulation

Any exploration, development or mining operations carried on by NewCo will be subject to government legislation, policies and controls relating to prospecting, development, production, environmental protection, mining taxes, health and safety and employment standards. As indicated above, NewCo requires permits and licenses from a variety of governmental authorities. NewCo's mining, exploration and development properties could be adversely affected by amendments to such laws and regulations, future laws and regulations, more stringent enforcement of current laws and regulations, changes in policies affecting foreign trade, investment, mining and repatriation of financial assets, shifts in political attitudes and exchange controls and currency fluctuations. NewCo cannot predict the extent to which future legislation and regulation could cause additional expenses, capital expenditures, restrictions and delays in the development of its properties, including those with respect to unpatented mining claims. Further, there can be no assurance that NewCo will be able to obtain or maintain all necessary licenses and permits that may be required to carry out exploration, development and mining operations at its projects.

Environmental Matters

Existing and possible future environmental legislation, regulations and actions could cause significant expense, capital expenditures, restrictions and delays in the activities of NewCo, the extent of which cannot be predicted, and which may well be beyond the capacity of NewCo to fund. NewCo's right to exploit the mining properties is subject to various reporting requirements and to obtaining certain government approvals and there is no assurance that such approvals, including environmental approvals, will be obtained without inordinate delay or at all.

Environmental legislation is evolving in a manner which will require, in certain jurisdictions, stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. No certainty exists that future changes in environmental regulation, if any, will adversely affect NewCo's operations or development properties. Environmental hazards may exist on NewCo's properties which are unknown to management at present, and which have been caused by previous owners or operators of the properties.

Failure to comply with applicable environmental laws, regulations and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment or remedial actions. Parties engaged in the exploration or development of exploration properties may be required to compensate those suffering loss or damage by reason of such parties' activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations. If any such enforcement actions or compensatory orders are levied against NewCo, such actions or orders could adversely affect NewCo's business, financial condition and results of operations.

Decommissioning and Site Rehabilitation Costs

The costs of performing decommissioning and reclamation must be funded by NewCo's operations. These costs can be significant and are subject to change. NewCo cannot predict what level of decommissioning and reclamation may be required in the future by regulators. If NewCo is required to comply with significant additional regulations, or if the actual cost of future decommissioning and reclamation is significantly higher than current estimates, this could have an adverse impact on NewCo's future cash flows, earnings, results of operations and financial condition.

Dependence upon Key Personnel and Others

The success of NewCo's operations will depend upon numerous factors, many of which are beyond NewCo's control, including the ability to produce minerals, the ability to attract and retain additional key personnel in sales, marketing, technical support and finance and the ability and the operating resources to develop and maintain the properties held by NewCo. These and other factors will require the use of outside suppliers as well as the talents and efforts of personnel and consultants hired or retained by NewCo. There can be no assurance of success with any or all of these factors on which NewCo's operations will depend.

NewCo's relationship with the communities in which it operates is critical to the successful development, construction and operation of its properties. There is an increasing level of public concern relating to the perceived effect of mining activities on the environment and on communities impacted by such activities. Publicity adverse to NewCo, its operations, or extractive industries generally, could have an adverse effect on NewCo and may impact relationships with the communities in which NewCo operates and other stakeholders. While NewCo is committed to operating in a socially responsible manner, there can be no assurance that NewCo's efforts in this respect will mitigate this potential risk.

NewCo's properties may also be impacted by relations with various community stakeholders, and NewCo's ability to develop related mining assets may still be affected by unforeseen outcomes from such community relations.

Relationships with Local Communities and Other Stakeholders

NewCo's relationships with the communities in which it operates are critical to the future success of its existing operations and the construction and development of its projects. In recent years, there has been ongoing and potentially increasing public concern relating to the effects of resource extraction on the natural landscape, communities and the environment. Certain non-governmental organizations, public interest groups and reporting organizations ("**NGOs**") who oppose globalization and resource development can be vocal critics of the mining industry and its practices, including the use of cyanide and other hazardous substances in processing activities. In addition, there have been many instances in which local community groups have opposed resource extraction activities, resulting in disruption and delays to the relevant operations. Adverse publicity generated by such NGOs or others related to the mining industry, or to extractive industries generally, could have an adverse effect on NewCo's reputation or financial condition and may impact its relationship with the communities in which it operates. While NewCo seeks to operate in a socially responsible manner and believes it has good relationships with local communities in the regions in which it operates, there is no guarantee that its efforts in this respect will mitigate this potential risk. NGOs or local community groups could direct adverse publicity against and/or disrupt the operations of NewCo in respect of one or more of its properties, despite NewCo's successful compliance with social and environmental best practices. Any such actions and the resulting media coverage could have adverse effects on the reputation and financial condition of NewCo or its relationships with the communities in which it operates, which could have a material adverse effect on the business, financial condition, results of operations, cash flows or prospects of NewCo.

NewCo's ability to successfully obtain key permits and approvals to explore for, develop and operate mines and to successfully operate in local communities will likely depend on its ability to develop, operate and close mines in a manner that is consistent with the creation of social and economic benefits in the surrounding communities, which may or may not be required by law. Mining operations should be designed to minimize the negative impact on such communities and the environment, for example, by modifying mining plans and operations or by relocating those affected to an agreed location. The cost of these measures could increase capital and operating costs and therefore could have an adverse impact upon NewCo's financial condition and operations. NewCo seeks to promote improvements in health and safety, human rights, environmental performance and community relations. However, NewCo's ability to operate could be adversely impacted by accidents or events detrimental (or perceived to be detrimental) to the health, safety and well-being of NewCo's employees, human rights, the environment or the communities in which NewCo operates.

Disputes with Third Parties

NewCo may become involved in disputes with third parties in the future that may result in litigation. The results of litigation cannot be predicted with certainty and defence and settlement costs of legal claims can be substantial, even with respect to claims that have no merit. If NewCo is unable to resolve these disputes favourably, or if the cost of the resolution is substantial, such events may have a material adverse impact on NewCo's business, rights, financial condition, results of operations, cash flows or prospects.

Damage to NewCo's Image and Reputation

Damage to NewCo's reputation can be the result of the actual or perceived occurrence of any number of events and could include any negative publicity, whether true or not. Although NewCo places a great emphasis on protecting its image and reputation, it does not ultimately have direct control over how it is perceived by others. Reputation loss may lead to increased challenges in developing and maintaining community relations and decreased investor confidence and may act as an impediment to NewCo's overall ability to advance its mineral properties, thereby having a material adverse impact on financial performance, cash flows and growth prospects.

Various Land Payments

NewCo's mineral properties or mineral projects may be subject to various land payments, royalties and/or work commitments. Failure by NewCo to meet its payment obligations or otherwise fulfill its commitments under these agreements could result in the loss of related property interests.

Currency Fluctuations

Currency fluctuations may affect NewCo's capital costs and the costs that NewCo incurs at its operations. Gold is sold throughout the world based principally on a U.S. dollar price, but a portion of NewCo's expenses is incurred in, amongst others, Canadian dollars. The appreciation of foreign currencies, particularly the Canadian dollar against the U.S. dollar, would increase the costs of gold production or construction activities at properties located in those jurisdictions, which could materially and adversely affect NewCo's earnings and financial condition. Recent events driving commodity price uncertainty and the responses thereto by governments and other participants in financial markets may have a material, yet unknown future impact on foreign currencies and in the volatility of exchange rates.

Acquisition Strategy

NewCo's may continue to seek new exploration, development and mining opportunities in the resource industry. As a result, NewCo may from time to time acquire additional mineral properties or securities of issuers which hold mineral properties. In pursuit of such opportunities, NewCo may fail to select appropriate acquisition candidates or negotiate acceptable arrangements, including arrangements to finance acquisitions or integrate the acquired businesses and their personnel into NewCo. NewCo cannot provide assurance that it will complete any acquisition or business arrangement that it pursues on favorable terms or that any acquisitions or business arrangements completed will ultimately benefit NewCo.

Severe Weather Conditions

Severe weather conditions may require NewCo to evacuate personnel or curtail operations and may cause damages to the mine sites, equipment or facilities, which could result in the temporary suspension of operations or generally reduce NewCo's productivity. There can be no assurance that severe weather will not occur. Any damage to NewCo's projects or delays in its operations caused by prolonged periods of severe weather could materially and adversely affect its business and the results of operations.

Impact of Tariffs

On February 1, 2025, the President of the United States of America announced the imposition of a 25% tariff on all Canadian exports to the U.S., except for energy resources which are subject to a 10% tariff. He also announced the imposition of tariffs on Mexico and China and has made comments expressing the possibility of imposing tariffs on other countries. The Canadian federal government then promptly announced the imposition of a 25% tariff on a list of U.S. exports to Canada, and Mexico and China announced retaliatory tariffs as well. On February 3, 2025, the President of the United States announced a pause on the imposition of the U.S. tariffs on Canadian and Mexican goods for a 30-day period, and the Canadian government then withdrew its tariffs. The eventuality, timing and rates of potential U.S. tariffs, and the countries on which they are levied are difficult to predict at this time. However, U.S. tariffs are likely to be met with retaliatory tariffs and a multi-country trade war against the U.S. could develop. NewCo may not be directly impacted by the imposition of new tariffs on goods imported into the U.S. However, the economic impact of tariffs or a broader trade war on the Canadian economy, the U.S. economy and the global economy could negatively impact capital markets and NewCo's ability to raise funds to undertake its work programs. A Canada-U.S. or a broader trade war has the potential to adversely impact global supply chains and make supplies required by NewCo for work programs or operations at the Porcupine Complex harder to obtain or unavailable. Canadian tariffs or scarcity in the global supply chain would likely increase the cost of supplies required by NewCo that are available, which could impair the NewCo's ability to undertake all of the work it plans to perform. NewCo may have some flexibility to adjust the timing, scale of, or even cancel, some of its work programs in response to increasing costs or unavailability of supplies. The indirect effects of tariffs imposed by the U.S. or by both countries are difficult to assess, but the potential for tariffs represents a risk to NewCo's ability to fulfill some of its key objectives.

Climate Change

NewCo's operations may be energy intensive, resulting in a carbon footprint either directly or through the purchase of fossil-fuel based electricity. As a result, NewCo is impacted by current and emerging policies and regulations relating to emission levels, energy efficiency and reporting of climate-change related risks. While some of the costs associated with reducing emissions may be offset by increased energy efficiency and technological innovation, the current regulatory trend may result in additional transition costs at some of NewCo's operations. For example, policy and regulatory risks related to actual and proposed changes in climate and water-related laws, regulations and taxes developed to facilitate and regulate the transition to a low-carbon economy may result in increased costs for NewCo's operations. These may include increased energy, equipment, environmental monitoring and reporting and other costs to comply with such regulations. The timeframe within which these transition risks may materialize for NewCo will vary and is, in part, dependent on how quickly the global transition to a low-carbon economy occurs. In addition, the physical risks of climate change may also have an adverse effect at some of NewCo's operations. These may include increased incidence of extreme weather events, resource shortages, changes in rainfall and storm patterns and intensities, water shortages, excess water flows, changing sea levels and changing temperatures. Associated with these physical risks is an increasing risk of climate-related litigation (including class actions), supply chain implications, compliance issues, increased costs and reduced productivity. We can provide no assurance that efforts to mitigate the risks of climate change will be effective and that the physical risks of climate change will not have an adverse effect on NewCo's operations and profitability.

Labour Difficulties

Factors such as work slowdowns or stoppages caused by the attempted unionization of operations and difficulties in recruiting qualified miners and hiring and training new miners could materially adversely affect NewCo's business. This would have a negative effect on NewCo's business and results of operations, which might result in NewCo not meeting its business objectives.

Epidemic and Pandemic Diseases

NewCo's business could be significantly adversely affected by the effects of a widespread global outbreak of contagious disease. NewCo cannot accurately predict the impact pandemics will have on third parties' abilities to meet their obligations with NewCo due to uncertainties relating to the ultimate geographic spread of the virus, the severity of the disease, the duration of the outbreak and the length of travel and quarantine restrictions imposed by governments of affected countries. In addition, a significant outbreak of contagious diseases in the human population could result in a widespread health crisis that could adversely affect the economies and financial markets of many countries, resulting in an economic downtown that could affect demand for NewCo's services and likely impact operating results. Further, the magnitude of disruptions could increase as the time to recovery lengthens and the combined effect of supply shortages across the extended supply network could lead to supply chain disruption. Any limited transportation capacity, lack of personnel mobility, traffic restrictions, expedited freight costs, potential payment premiums and the implementation of alternative sourcing strategies resulting from pandemics could result in increased input costs. Any prolonged disruption to the supply chain could have a material adverse effect on NewCo's business, financial condition and/or results of operations.

Forward-Looking Statements

Shareholders should not place undue reliance on forward-looking statements. By their nature, forward-looking statements involve numerous assumptions, known and unknown risks and uncertainties, of both general and specific nature, that could cause actual results to differ materially from those suggested by the forward-looking statements or contribute to the possibility that predictions, forecasts or projections will prove to be materially inaccurate. Additional information on such risks, assumptions and uncertainties can be found under the heading "*Forward-Looking Statements"* in this Schedule "B" and elsewhere in the Circular.

DESCRIPTION OF CAPITAL STRUCTURE

NewCo is authorized to issue an unlimited number of common shares without par value, of which there were 100 common shares issued and outstanding as of the date of this Circular.

Common Shares

Holders of common shares of NewCo are entitled to receive notice of any meetings of shareholders of NewCo, and to attend and to cast one vote per common share at all such meetings. Holders of common shares are entitled to receive on a pro rata basis such dividends on such common shares, if any, as and when declared by the board of directors of NewCo at its discretion from funds legally available therefor, and, upon the liquidation, dissolution, or winding up of NewCo, are entitled to receive on a pro rata basis the net assets of NewCo after payment of debts and other liabilities, in each case subject to the rights, privileges, restrictions, and conditions attaching to any other series or class of shares ranking senior in priority to or on a pro rata basis with the holders of common shares with respect to dividends or liquidation. The common shares do not carry any pre-emptive, subscription, redemption, retraction, surrender, or conversion or exchange rights, nor do they contain any sinking or purchase fund provisions.

DIVIDENDS OR DISTRIBUTIONS

There are currently no restrictions that prevent NewCo from paying dividends or distributions. Following the Acquisition Closing, the Term Loan Agreement and the net smelter return royalty agreement with Franco-Nevada will each contain certain restrictions on the payment of dividends. However, NewCo has not paid any dividends or distributions on its common shares since incorporation and there are no plans to pay dividends at this time. At present, all available funds are invested to finance the growth of NewCo and the exploration and development of its mineral properties. Any decision to pay dividends on its common shares in the future will be made by the board of directors from time to time, in its discretion, on the basis of many factors, including the NewCo's earnings, operating results, financial condition, and anticipated cash needs and other conditions existing at such time.

PRIOR SALES

Upon the incorporation of NewCo on February 7, 2025, NewCo issued 100 common shares to GCL at a price of $1.00 per share.

Pursuant to the Acquisition Agreement, the Company will acquire all of the issued and outstanding shares of NewCo on the Acquisition Closing.

PRINCIPAL SHAREHOLDERS

As of the date of the Circular, GCL holds 100 common shares of NewCo, which represents 100% of the issued and outstanding common shares of NewCo. Following Acquisition Closing, the Company will own 100% of the issued and outstanding common shares of NewCo.

CONSOLIDATED CAPITALIZATION

The table below sets forth the consolidated capitalization of NewCo as of the date hereof and prior to the closing of the Acquisition.

	Authorized	Outstanding as of the date hereof prior to the closing of the Acquisition
Common Shares	Unlimited	100

DIRECTORS AND EXECUTIVE OFFICERS

The following table includes: (i) the name, age and jurisdiction of residence of each director or officer of NewCo; (ii) the current position with NewCo of each such director or officer and the date the individual became a director or officer of NewCo; and (iii) the principal occupation of each such director or officer in the last five years. As NewCo is not a reporting issuer as at the date of this Circular, none of the current directors of NewCo are independent under the meaning specified in National Instrument 52-110 – *Audit Committees* as in effect on the date hereof.

A brief biography, including principal occupation and employment, for each director is provided below.

Name, Age and Jurisdiction of Residence [(1)(2)]	Current Position with NewCo and Date the Individual Became a Director or Officer	Principal Occupations in the Last Five Years
Joshua Cage Age: 50 Colorado, U.S.A.	Director February 7, 2025	Global Controller and Head, Operations Accounting, Newmont (December 2024 – Present); Chief Accounting Officer and Controller, Newmont (November 2022 – November 2024); Assistant Controller, Newmont (2014 – October 2022)
Logan Hennessey Age: 47 Colorado, U.S.A.	Director and Secretary February 7, 2025	Group Head, Legal Governance & Compliance and Corporate Secretary, Newmont (December 2024 – Present); Vice President, Deputy General Counsel & Corporate Secretary, Newmont (2024 – 2023); Vice President, Associate General Counsel and Corporate Secretary (2015 – 2019); Associate General Counsel and Assistant Corporate Secretary (2011 – 2015); Senior Counsel (2011 – 2013). She previously worked in private practice at White & Case LLP.
Scott Langley Age: 50 Ontario, Canada	Director and Vice President February 7, 2025	Group Head, Corporate Development, Newmont (April 2022 – Present); Managing Director, Head of North American Metals & Mining, Bank of America (2019 – 2022)
Bernard Wessels Age: 51 Colorado, U.S.A.	Director and President February 7, 2025	Managing Director, North America, Newmont (May 2023 – Present); Senior Vice President, North America, Newmont (September 2022 – April 2023); General Manager, Peñasquito Mine, Newmont (2020 – September 2022); Vice President Productivity (Africa) (April 2020 – August 2020); General Manager Ahafo (April 2017 – March 2020)

Notes:

(1) As of the date of the Circular, no director or executive officer of NewCo beneficially owns or controls, directly or indirectly, any outstanding securities of NewCo.

(2) NewCo does not have any committees of its board of directors.

Upon completion of the Acquisition, the Company will appoint new officers and directors, and it expects to appoint Tony Makuch, Andreas L'Abbé, Forbes Gemmell and Mark Utting as directors, and Tony Makuch as President, Forbes Gemmell as Vice President, and Andreas L'Abbé as Secretary of NewCo. No director or executive NewCo upon completion of the Acquisition is expected to beneficially own or control or direct, directly or indirectly, any outstanding securities of NewCo.

Cease Trade Orders, Bankruptcies, Penalties or Sanctions

Cease Trade Orders

To NewCo's knowledge, no director or executive officer of NewCo is, as at the date hereof, or was within 10 years before the date hereof, a director, chief executive officer or chief financial officer of any issuer (including NewCo) that: (a) was subject to an order that was issued while the director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer; or (b) was subject to an order that was issued after the director or executive officer ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer. For the purposes of the above, "order" means a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation that was in effect for a period of more than 30 consecutive days.

Bankruptcies

To NewCo's knowledge, no director or executive officer of NewCo, or a shareholder holding a sufficient number of securities of NewCo to affect materially the control of NewCo (a) is, as at the date hereof, or has been, within the 10 years before the date hereof, a director or executive officer of any issuer (including NewCo) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or (b) has, within the 10 years before the date hereof, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director, executive officer or shareholder.

Penalties or Sanctions

To NewCo's knowledge, no director or executive officer of NewCo, or a shareholder holding a sufficient number of securities of NewCo to affect materially the control of NewCo, has been subject to (a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or (b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

Indebtedness of Directors and Officers

Except as disclosed elsewhere in this Circular, none of the directors, executive officers or employees of NewCo have any indebtedness outstanding to NewCo as at the date hereof and no indebtedness of these individuals to another entity is the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by NewCo as at the date hereof. Additionally, no individual who is, or at any time during NewCo's last financial year was, a director or executive officer of NewCo, proposed management nominee for director of NewCo or associate of any such director, executive officer or proposed nominee is as at the date hereof, or at any time since the beginning of NewCo's last financial year has been, indebted to NewCo or to another entity where the indebtedness to such other entity is the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by NewCo.

CONFLICTS OF INTEREST

Other than as described elsewhere in this Circular, to the best of NewCo's knowledge, there are no known existing or potential material conflicts of interest between NewCo and a director or officer of NewCo or of a subsidiary of NewCo.

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

Legal Proceedings

Other than as disclosed in this Circular, NewCo was not subject to any material legal proceedings as of the date of this Circular. Other than as disclosed in this Circular, directors and management of NewCo know of no contemplated or pending proceedings by or against anyone that might materially adversely affect our financial condition or results of operations. See *"Risk Factors – Potential Dispute with First Nations Community Could Have Adverse Consequences Following the Acquisition Closing"* in the Circular.

Regulatory Actions

Other than as set out elsewhere in this Circular, NewCo is not subject to:

- any penalties or sanctions imposed against NewCo by a court relating to securities legislation or by a securities regulatory authority;

- any other penalties or sanctions imposed by a court or regulatory body against NewCo that would likely be considered important to a reasonable investor in making an investment decision; or

- settlement agreements NewCo entered into before a court relating to securities legislation or with any securities regulatory authority.

MATERIAL CONTRACTS

Prior to the Acquisition Closing, GCL and NewCo will enter into the Asset Purchase Agreement, pursuant to which GCL will transfer its interest in the Porcupine Complex to NewCo. In consideration therefor, NewCo will (i) assume certain obligations and liabilities outlined in the Acquisition Agreement and (ii) issue shares of NewCo to GCL. See *"Matters to be Considered at the Meeting – General Description of the Acquisition Agreement"* in the Circular and *"General Development Of The Business"* in Schedule "B" to the Circular.

INTERESTS OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Except as otherwise disclosed in this Circular, no director, executive officer or a person or company that beneficially owns, or controls or directs, directly or indirectly, more than 10 percent of any class or series of NewCo or any associate or affiliate of the foregoing, has had any material interest, direct or indirect, in any transaction within the three most recently completed financial years or during the current financial year prior to the date of this Circular that has materially affected or will materially affect NewCo.

EXPERTS

The combined financial statements of the Porcupine Complex as of December 31, 2023 and for the year then ended, included in this Circular, have been audited by Ernst & Young LLP, independent auditors, as stated in their report appearing herein. Ernst & Young LLP has advised that they are independent of GCL within the meaning of the standards of the American Institute of Certified Public Accountants.

Eric Kallio, P. Geo, Pierre Rocque, P. Eng., Rocque Engineering Inc. and Dr. Ryan Barnett, P. Geo., Resource Modeling Solutions Ltd., the authors of the Porcupine Technical Report, each of whom is a "qualified person" as such term is defined in NI 43-101, have been responsible for preparing and/or reviewing the technical information disclosed in this Schedule "B" to the Circular. As of the date hereof, each of the qualified persons beneficially own, directly or indirectly, less than 1% of the outstanding common shares of NewCo and are expected to own less than 1% of the outstanding common shares of NewCo following the Acquisition Closing.

ESCROWED SECURITIES AND SECURITIES SUBJECT TO CONTRACTUAL RESTRICTION

There are no securities of NewCo currently held in escrow or subject to a contractual restriction on transfer.

EXECUTIVE COMPENSATION

NewCo is not a reporting issuer as of the date of this Circular and has not completed a fiscal year of operations. As of the date of the Circular, no compensation has been paid by NewCo to its executive officers or directors. Following completion of the Acquisition, NewCo will be a wholly owned subsidiary of Discovery, and it is anticipated that the directors and officers of NewCo will consist of certain directors and/or officers of Discovery. Discovery does not anticipate paying any additional compensation to such directors and/or officers for their role as director or officer of NewCo.

AUDITORS

GCL, being the holder of all the common shares of NewCo, has waived the requirement for NewCo to appoint an auditor for its current financial year in accordance with the BCBCA.

PROMOTERS

Under applicable Canadian securities laws, GCL may be considered a promoter of NewCo in that it took initiative in founding and organizing the business of NewCo. As of the date of this Circular, GCL holds 100 common shares of NewCo, representing all of the issued and outstanding shares of NewCo. Prior to the Acquisition Closing, GCL and NewCo will enter into the Asset Purchase Agreement pursuant to which GCL will transfer its interest in the Porcupine Complex to NewCo. In consideration therefor, NewCo will (i) assume certain obligations and liabilities outlined in the Acquisition Agreement and (ii) issue shares of NewCo to GCL. See *"Matters to be Considered at the Meeting – General Description of the Acquisition Agreement"* and *"General Development Of The Business"* in Schedule "B" to the Circular.

During the 10 years before the date of the Circular, GCL has not become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold its assets.

GCL has not been subject to any penalties or sanctions imposed by a court relating to provincial and territorial securities legislation or by a provincial and territorial securities regulatory authority, has not entered into a settlement agreement with a provincial and territorial securities regulatory authority, and has not been imposed with any other penalties or sanctions by a court or regulatory body that would be likely to be considered important to a reasonable investor in making an investment decision.

ADDITIONAL INFORMATION

Financial Statements and Related MD&A

Included in Appendix "A" to this Schedule "B" to the Circular are the combined financial statements of the Porcupine Complex, consisting of the audited combined financial statements of Porcupine for the financial years ended December 31, 2023 and 2022, together with the notes thereto and the report of the independent auditor thereon, and the unaudited condensed combined interim financial statements of Porcupine as at and for the nine months ended September 30, 2024.

The accompanying management's discussion and analysis for the years ended December 31, 2023 and 2022, as well as the management's discussion and analysis for the nine months ended September 30, 2024, are each included as Appendix "B" to this Schedule "B" to the Circular.

APPENDIX "A"
FINANCIAL STATEMENTS OF THE PORCUPINE COMPLEX

See attached.

Porcupine

Condensed Combined Financial Statements

(unaudited)

At and for the nine months ended September 30, 2024

Index to Financial Statements

Condensed Combined Statements of Operations
(unaudited, in thousands)

	Nine Months Ended September 30, 2024	2023
Sales (Note 4)	$ 503,451	$ 366,028
Costs and expenses:		
Costs applicable to sales [(1)]	235,932	220,268
Depreciation and amortization	107,340	84,065
Reclamation (Note 6)	19,086	65,323
Exploration	3,215	11,352
Advanced projects, research and development	4,655	5,890
General and administrative	12,584	9,562
Impairment charges	9	2,020
Other expense, net	706	197
	383,527	398,677
Other income, net	1,675	2,873
Income (loss) before income and mining tax and other items	121,599	(29,776)
Income and mining tax (expense) benefit (Note 7)	(34,148)	10,297
Net income (loss)	$ 87,451	$ (19,479)

(1) Excludes *Depreciation and amortization* and *Reclamation*.

The accompanying notes are an integral part of the condensed combined financial statements.

Condensed Combined Statements of Comprehensive Income (Loss)
(unaudited, in thousands)

	Nine Months Ended September 30,	
	2024	2023
Net income (loss)	$ 87,451	$ (19,479)
Other comprehensive income:		
Change in pension benefits, net of tax	33	—
Other comprehensive income:	33	—
Comprehensive income (loss)	$ 87,484	$ (19,479)

The accompanying notes are an integral part of the condensed combined financial statements.

Condensed Combined Balance Sheets
(unaudited, in thousands)

	At September 30, 2024	At December 31, 2023
ASSETS		
Trade receivables	$ 749	$ 208
Inventories (Note 9)	38,763	39,904
Stockpiles	28,803	30,966
Other receivables	17,951	17,364
Other current assets	1,142	505
Current assets	87,408	88,947
Property, plant and mine development, net	1,412,282	1,348,816
Stockpiles	14,557	32,776
Other non-current assets	1,235	1,603
Total assets	$ 1,515,482	$ 1,472,142
LIABILITIES		
Accounts payable	$ 25,483	$ 31,516
Employee-related benefits (Note 8)	10,977	12,196
Income and mining taxes	20,908	—
Other current liabilities (Note 10)	59,977	82,709
Current liabilities	117,345	126,421
Reclamation liabilities (Note 6)	519,148	507,597
Deferred income tax liabilities	166,398	153,158
Employee-related liabilities (Note 8)	21,609	20,440
Total liabilities	824,500	807,616
Commitments and contingencies (Note 11)		
EQUITY		
Accumulated other comprehensive income	273	240
Net Parent investment	690,709	664,286
Total equity	690,982	664,526
Total liabilities and equity	$ 1,515,482	$ 1,472,142

The accompanying notes are an integral part of the condensed combined financial statements.

Condensed Combined Statements of Cash Flows
(unaudited, in thousands)

	Nine Months Ended September 30, 2024	2023
Operating activities:		
Net income (loss)	$ 87,451	$ (19,479)
Non-cash adjustments:		
Depreciation and amortization	107,340	84,065
Reclamation	19,086	65,323
Deferred income taxes	13,240	(15,453)
Impairment and other charges	9	4,590
Pension expense	590	536
Other non-cash adjustments	(1,020)	(121)
Change in accounts receivable	(801)	(5,989)
Change in inventories and stockpiles	9,774	(19,609)
Change in accounts payable	(5,346)	24,805
Change in reclamation liabilities	(11,542)	(9,157)
Change in income and mining taxes payable	20,908	5,156
Change in other assets and liabilities	(198)	(4,681)
Net cash provided by operating activities	239,491	109,986
Investing activities:		
Additions to property, plant and mine development	(178,463)	(103,822)
Net cash used in investing activities	(178,463)	(103,822)
Financing activities:		
Payments on lease and other financing obligations	—	(910)
Net transfers to Parent	(61,028)	(5,254)
Net cash used in financing activities	(61,028)	(6,164)
Net change in cash, cash equivalents and restricted cash	—	—
Cash, cash equivalents and restricted cash at beginning of period	—	—
Cash, cash equivalents and restricted cash at end of period	$ —	$ —

The accompanying notes are an integral part of the condensed combined financial statements.

Condensed Combined Statements of Changes in Equity
(unaudited, in thousands)

	Accumulated Other Comprehensive Income	Net Parent Investment	Total Equity
Balance at January 1, 2023	$ 2,274	$ 691,122	$ 693,396
Net loss	—	(19,479)	(19,479)
Other comprehensive income activity	—	—	—
Net transfers to Parent	—	(5,254)	(5,254)
Balance at September 30, 2023	$ 2,274	$ 666,389	$ 668,663
Balance at January 1, 2024	$ 240	$ 664,286	$ 664,526
Net income	—	87,451	87,451
Other comprehensive income activity	33	—	33
Net transfers to Parent	—	(61,028)	(61,028)
Balance at September 30, 2024	$ 273	$ 690,709	$ 690,982

The accompanying notes are an integral part of the condensed combined financial statements.

NOTE 1 ORGANIZATION

In February 2024, the Board of Directors of Newmont Corporation ("Newmont" or "Parent") announced its intention to divest its Porcupine gold mine ("Porcupine" or the "Company").

The interim Condensed Consolidated Financial Statements ("interim statements") of the Company are unaudited. In the opinion of management, all normal recurring adjustments and disclosures necessary for a fair presentation of these interim statements have been included. The results reported in these interim statements are not necessarily indicative of the results that may be reported for the entire year. These interim statements should be read in conjunction with the Company's Combined Financial Statements for the year ended December 31, 2023. The year-end balance sheet data was derived from the audited financial statements, and certain information and footnote disclosures required by accounting principles generally accepted in the United States ("GAAP") have been condensed or omitted.

NOTE 2 BASIS OF PRESENTATION

The condensed combined financial statements of Porcupine have been prepared in accordance with GAAP. The Company historically existed and functioned as an operating segment of Newmont. The condensed combined financial statements were prepared on a standalone basis and were derived from the consolidated financial statements and accounting records of Newmont. The assets, liabilities and operations of Porcupine have historically been held and managed by various legal entities within Newmont and do not represent the operations of a single, separate legal entity or a group of separate legal entities.

The condensed combined statements of operations include all revenues and costs directly attributable to Porcupine's operations. The condensed combined statements of operations also include an allocation of expenses related to certain Newmont corporate functions, including executive management, finance, legal, information technology, human resources and other shared services. These expenses have been allocated based on direct usage or benefit where specifically identifiable, with the remainder allocated using a proportional cost allocation method based primarily on production of gold equivalent ounces.

The Company believes the allocation methodology is reasonable for all periods presented. However, the allocations may not reflect the expenses the Company would have incurred as a standalone entity for the periods presented. Multiple factors, including the chosen organizational structure, division between outsourced and in-house functions, and strategic decisions made in areas such as information technology and capital expenditures, would impact the actual costs incurred by Porcupine. The Company determined that it is not practicable to determine these standalone costs for the periods presented. As a result, the condensed combined financial statements are not indicative of Porcupine's financial condition, results of operations or cash flows had Porcupine operated as a standalone entity during the periods presented, and the results presented in the condensed combined financial statements are not indicative of Porcupine's future financial condition, results of operations or cash flows.

Newmont utilizes a centralized approach to cash management and financing of its operations. These arrangements may not be reflective of the way Porcupine would have financed its operations had it been a separate, standalone entity during the periods presented. The centralized cash management arrangements are excluded from the asset and liability balances in Porcupine's condensed combined balance sheets. These amounts have instead been included in *Net Parent investment* as a component of equity. Newmont's third-party debt and related interest expense have not been attributed to Porcupine because the Company is not the legal obligor of the debt, and the borrowings are not specifically identifiable to Porcupine's operations.

Income tax amounts in the condensed combined financial statements have been calculated using the separate return method and presented as if Porcupine was a separate taxpayer in the respective jurisdictions.

The functional currency of the Company is the United States dollar ("U.S. dollar"). Transaction gains and losses related to foreign currency denominated monetary assets and liabilities where the functional currency is the U.S. dollar are remeasured at current exchange rates and the resulting adjustments are included in *Other (loss) income, net*.

Transactions between Porcupine and Newmont are reflected as *Net Parent investment* in the condensed combined balance sheets and as financing activities in the condensed combined statements of cash flows. Refer to Note 5 for additional information regarding the relationship between Porcupine and Newmont. Intercompany accounts and transactions within Porcupine have been eliminated in the preparation of the condensed combined financial statements.

NOTE 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Risks and Uncertainties

As a mining operation, the Company's revenue, profitability and future rate of growth are substantially dependent on prevailing gold prices. Historically, the commodity markets have been very volatile, and there can be no assurance that gold prices will not be subject to wide fluctuations in the future. A substantial or extended decline in the price of gold could have a material adverse effect on the Company's financial position, results of operations, cash flows, access to capital and on the quantities of reserves that the Company can economically produce. The carrying value of the Company's *Property, plant and mine development, net; Inventories*; *Stockpiles*; and *Deferred income tax assets* are particularly sensitive to the outlook for gold prices. A decline in the Company's price outlook from current levels could result in material impairment charges related to these assets.

The Company is exposed to risks associated with public health crises, including epidemics and pandemics such as COVID-19, and geopolitical and macroeconomic pressures. The Company continues to experience the impacts from recent geopolitical and macroeconomic pressures. With the resulting volatile environment, the Company continues to monitor inflationary conditions, the effects of certain countermeasures taken by central banks, and the potential for further supply chain disruptions as well as an uncertain and evolving labor market.

The following factors could have further potential short- and, possibly, long-term material adverse impacts on the Company including, but not limited to, volatility in commodity prices and the price of gold, changes in the equity and debt markets or country specific factors adversely impacting discount rates, significant cost inflation impacts on production, capital and asset retirement costs, logistical challenges, workforce interruptions and financial market disruptions, energy market disruptions, as well as potential impacts to estimated costs and timing of projects.

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the accounting for and recognition and disclosure of assets, liabilities, equity, revenues and expenses. The Company must make these estimates and assumptions because certain information used is dependent on future events, cannot be calculated with a high degree of precision from data available or simply cannot be readily calculated based on generally accepted methodologies. Actual results could differ from these estimates.

Fair Value Accounting

Fair value accounting establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described below:

Level 1 Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities;

Level 2 Quoted prices in markets that are not active, quoted prices for similar assets or liabilities in active markets, quoted prices or inputs that are observable, either directly or indirectly, for substantially the full term of the asset or liability and model-based valuation techniques (e.g. the Black-Scholes model) for which all significant inputs are observable in the market or can be corroborated by observable market data for substantially the full term of the assets or liabilities; and

Level 3 Prices or valuation techniques that require inputs that are both significant to the fair value measurement and unobservable (supported by little or no market activity).

The Company's financial instruments measured on a recurring basis primarily include receivables and payables for which the carrying value approximates fair value due to the short maturities and are classified within Level 1.

The Company's goodwill and long-lived assets are measured on a non-recurring basis and are classified within Level 3.

The Company evaluates its goodwill for impairment annually at December 31 or when events or changes in circumstances indicate that the fair value of a reporting unit is less than its carrying value. Based on the December 31, 2023 review, the Company concluded that goodwill was fully impaired, resulting in the Company recognizing a non-cash impairment charge of $340.8 million. The Company measured the impairment by comparing the total fair value of the existing operations to the corresponding reporting unit carrying value. The estimated fair value was determined using the income approach and is considered a non-recurring level 3 fair value measurement. Significant inputs to the fair value measured included (i) updated cash flow information from the Company's current business and closure plans, (ii) a short-term gold price of $1,750, (iii) a long-term gold price of $1,600, (iv) current estimates of reserves, resources, and exploration potential and (v) a reporting unit discount rate of 4.50%. The selected discount rate incorporates an additional premium related to operational risk at the Company. Porcupine's long-lived assets were evaluated for impairment prior to the quantitative goodwill test at December 31, 2023, and no impairment was identified.

The Company reviews and evaluates its long-lived assets and other assets for impairment when events or changes in circumstances indicate that the related carrying amounts may not be recoverable. If the expected future undiscounted cash flows from the use and eventual disposition of the asset or asset group are less than the carrying amount of the assets, an impairment loss is recognized. The Company measures impairment by comparing the total fair value of the existing operations to the carrying value of the corresponding assets.

Recently Issued Accounting Pronouncements

Pillar II

In 2024, Pillar II is set to take effect. The Pillar II agreement was signed by 138 countries with the intent to equalize corporate tax around the world by implementing a global minimum tax of 15%. As the Company primarily does business in jurisdictions with a tax rate greater than 15%, the Company does not anticipate a material impact to the condensed combined financial statements.

Improvement to Income Tax Disclosures

In December 2023, ASU 2023-09 was issued which requires disaggregated information about the effective tax rate reconciliation and additional information on taxes paid that meet a qualitative threshold. The new guidance is effective for annual reporting periods beginning after December 15, 2024, with early adoption permitted. The Company is currently evaluating the impacts of the guidance on its condensed combined financial statements.

NOTE 4 SALES

The Company recognizes revenue from the sale of gold doré produced in Canada.

Trade Receivables

At September 30, 2024 and December 31, 2023, *Trade receivables* consisted of sales from gold doré, which includes provisionally priced carbon fines.

NOTE 5 RELATED PARTY TRANSACTIONS

Historically, Porcupine has been managed and operated in the normal course of business with other affiliates of Newmont. Accordingly, certain shared costs have been allocated to Porcupine and reflected as expenses in the condensed combined financial statements.

The condensed combined financial statements include corporate costs incurred by Newmont for services that are provided to or on behalf of Porcupine. The corporate costs include allocations of costs incurred associated with executive management, finance, legal, information technology, human resources and other shared services. These costs have been allocated to Porcupine based primarily on its production of gold equivalent ounces. Newmont management and Porcupine believe the allocation methodology is reasonable and appropriately represents Newmont's historical expenses that were attributable to Porcupine. However, the expenses reflected in the condensed combined financial statements may not be indicative of the actual expenses that would have been incurred during the periods presented had Porcupine historically operated as a separate, standalone entity. In addition, the expenses reflected in the condensed combined financial statements may not be indicative of expenses that Porcupine will incur in the future.

The allocated costs in the condensed combined statements of operations were as follows (in thousands):

	Nine Months Ended September 30,	
	2024	**2023**
Costs applicable to sales	$ 12,724	$ 9,208
General and administrative	11,561	8,805
Advanced projects, research and development	2,534	2,346
	$ 26,819	$ 20,359

Shared Facilities

Porcupine shares office space and other non-operational related facilities with Newmont and other Newmont operations where Porcupine is not the primary or exclusive user of the assets. At these shared facilities, the assets have been excluded from the condensed combined balance sheets. However, the Company has been charged a cost for its usage of these shared assets. The amount charged to *General and administrative* in the condensed combined statements of operations was $1.0 million and $0.8 million for the nine months ended September 30, 2024 and 2023, respectively.

NOTE 6 RECLAMATION

The Company's mining and exploration activities are subject to various laws and regulations governing the protection of the environment. These laws and regulations are continually changing and are generally becoming more restrictive. The Company conducts its operations to protect public health and the environment and believes its operations are in compliance with applicable laws and regulations in all material respects. The Company has made, and expects to make in the future, expenditures to comply with such laws and regulations, but cannot predict the full amount of such future expenditures. Estimated future reclamation costs are based principally on current legal and regulatory requirements.

The Company's *Reclamation* expense consisted of (in thousands):

	Nine Months Ended September 30, 2024	Nine Months Ended September 30, 2023
Reclamation accretion	$ 19,000	$ 13,561
Reclamation adjustments and other	86	51,762
Reclamation expense	$ 19,086	$ 65,323

The following are reconciliations of *Reclamation liabilities* (in thousands):

	2024	2023
Balance at January 1,	$ 537,967	$ 430,672
Additions, changes in estimates and other	—	51,763
Payments, net	(11,542)	(9,157)
Accretion expense	19,000	13,561
Balance at September 30,	$ 545,425	$ 486,839

	At September 30, 2024	At December 31, 2023
Current [(1)]	$ 26,277	$ 30,370
Non-current [(2)]	519,148	507,597
	$ 545,425	$ 537,967

(1) The current portion of reclamation liabilities is included in *Other current liabilities*.

(2) The non-current portion of reclamation liabilities is included in *Reclamation liabilities.*

The amounts accrued are reviewed periodically based upon facts and circumstances available at the time. Changes in estimates are recorded in *Other current liabilities* and *Reclamation liabilities* in the period estimates are revised.

Refer to Note 11 for further discussion of reclamation matters.

NOTE 7 INCOME AND MINING TAXES

A reconciliation of the Canadian federal statutory tax rate to the Company's effective income tax rate follows (in thousands, except percentages):

	Nine Months Ended September 30, 2024		Nine Months Ended September 30, 2023	
Income (loss) before income and mining tax and other items (in thousands)		$ 121,599		$ (29,776)
Canada statutory tax rate	15.0 %	$ (18,240)	15.0 %	$ 4,466
Reconciling items:				
Provincial income taxes	10.0 %	(12,160)	10.0 %	2,978
Impact of foreign exchange	(2.8)%	3,458	0.8 %	245
Mining and other taxes (net of associated federal benefit)	5.9 %	(7,206)	8.8 %	2,608
Income and mining tax (expense) benefit	28.1 %	$ (34,148)	34.6 %	$ 10,297

Mining taxes in Canada represent provincial taxes levied on mining operations and are classified as income taxes as such taxes are based on a percentage of mining profits.

NOTE 8 EMPLOYEE-RELATED BENEFITS

(in thousands)	At September 30, 2024	At December 31, 2023
Current:		
Accrued payroll and withholding taxes	$ 9,413	$ 9,835
Employee pension benefits	406	406
Other employee-related payables	1,158	1,955
	$ 10,977	$ 12,196
Non-current:		
Accrued severance	$ 17,520	$ 16,875
Employee pension benefits	4,089	3,565
	$ 21,609	$ 20,440

Defined Benefit Plan

The Company provides a defined benefit pension plan to eligible employees. Benefits are generally based on years of service and the multiplier negotiated in the collective bargaining agreement. The plan is funded based on local laws and requirements. Pension costs are determined annually by independent actuaries, and the measurement date used for determining the pension plan assets and obligations is December 31 the Company's fiscal year end. The amount charged to *Costs applicable to sales* in the condensed combined statements of operations was $0.9 million and $0.7 million for the nine months ended September 30, 2024 and 2023, respectively, and the amount charged to *Other income, net in the* condensed combined statements of operations was $(0.3) million and $(0.2) million for the nine months ended September 30, 2024 and 2023, respectively.

Defined Contribution and Other Benefit Plans

Newmont has a registered defined contribution pension plan in Canada, which covers salaried and hourly employees. When an employee meets eligibility requirements, Newmont contributes 5% of employees' eligible earnings, plus matches 100% of employee contributions of up to 4% of eligible earnings. Matching contributions are made in cash. In addition, Newmont has one non-qualified supplemental savings plan for executive-level employees whose benefits under the qualified plan are limited by federal regulations. The amount charged to *Costs applicable to sales* in the condensed combined statements of operations was $3.9 million and $3.8 million for the nine months ended September 30, 2024 and 2023, respectively.

NOTE 9 INVENTORIES

(in thousands)	At September 30, 2024	At December 31, 2023
Materials and supplies	$ 29,101	$ 24,132
In-process	5,203	9,666
Precious metals	4,459	6,106
	$ 38,763	$ 39,904

The Company recorded write-downs of $— million and $2.6 million, classified as components of *Costs applicable to sales* for the nine months ended September 30, 2024 and 2023, respectively and recorded write-downs of $— million and $0.9 million classified as components of *Depreciation and amortization* for the nine months ended September 30, 2024 and 2023, respectively, to reduce the carrying value of inventory to net realizable value.

NOTE 10 OTHER CURRENT LIABILITIES

(in thousands)	At September 30, 2024	At December 31, 2023
Reclamation liabilities	$ 26,277	$ 30,370
Accrued capital expenditures	13,440	32,835
Accrued operating costs	12,847	18,776
Accrued royalties	7,382	—
Other	31	728
	$ 59,977	$ 82,709

NOTE 11 COMMITMENTS AND CONTINGENCIES

General

Estimated losses from contingencies are accrued by a charge to income when information available prior to issuance of the condensed combined financial statements indicates that it is probable that a liability could be incurred, and the amount of the loss can be reasonably estimated. Legal expenses associated with the contingency are expensed as incurred. If a loss contingency is not probable or reasonably estimable, disclosure of the contingency and estimated range of loss, if determinable, is made in the condensed combined financial statements when it is at least reasonably possible that a material loss could be incurred.

Environmental Matters

Refer to Note 6 for further information regarding reclamation. Details about certain significant matters are discussed below.

The Porcupine complex is comprised of active open pit and underground mining operations as well as inactive, legacy sites from its extensive history of mining gold in and around the city of Timmins, Ontario since the early 1900s. As a result of these primarily historic mining activities, there are mine hazards in the area that could require some form of reclamation. The Company is conducting studies to better catalog, prioritize, and update its existing information of these historical mine hazards, to inform its closure plans and estimated closure costs. Based on work performed during 2023, a $46.3 million reclamation adjustment was recorded at December 31, 2023, however, on-going studies will extend beyond the current year and could result in future material increases to the reclamation obligation at Porcupine.

Other Commitments and Contingencies

On November 20, 2024, Taykwa Tagamou Nation (“TTN”) filed a Statement of Claim against the Ontario government and Newmont, alleging that the resumption of open pit mining at the Pamour mine in Timmins, Ontario, Canada would be without proper consultation or consideration of the cumulative impacts on TTN’s traditional territory and Aboriginal rights, and as such, the associated environmental permits previously issued by the Ontario government with respect to Pamour ought to be revoked. TTN is seeking, amongst other things: (i) a stay of all activities authorized under the permits until the case is resolved, (ii) a declaration that Ontario breached its duty to consult and violated Treaty No. 9, and section 35 of the Constitution Act (Canada) 1982, and (iii) general and aggravated damages. Newmont remains steadfast in its commitment to foster meaningful and productive relationships with First Nation communities in Canada, and had undertaken appropriate consultations with various community stakeholders, including TTN and other First Nation groups in the Timmins area – as such, the permits were properly issued by the government. Newmont intends to vigorously defend this matter, but cannot reasonably predict the outcome.

As part of its ongoing business and operations, the Company is required to provide surety bonds and bank letters of credit as financial support for various purposes, including environmental reclamation, exploration permitting, and other general corporate purposes. At September 30, 2024, there were $177.1 million of outstanding letters of credit and surety bonds. The obligations associated with these instruments are generally related to performance requirements that the Company addresses through its ongoing operations. As the specific requirements are met, the beneficiary of the associated instrument cancels and/or returns the instrument to the issuing entity. Certain of these instruments are associated with operating sites with long-lived assets and will remain outstanding until closure. Generally, bonding requirements associated with environmental regulation are becoming more restrictive. However, the Company believes it is in compliance with all applicable bonding obligations and will be able to satisfy future bonding requirements through existing or alternative means, as they arise.

The Company is from time to time involved in various legal proceedings related to its business. Except in the above described environmental matter, management does not believe that adverse decisions in any pending or threatened proceeding or that amounts that may be required to be paid by reason thereof will have a material adverse effect on the Company's financial condition or results of operations.

NOTE 12 SUBSEQUENT EVENTS

These condensed combined financial statements reflect management's evaluation of subsequent events, through January 8, 2025, the date the financial statements were available to be issued.

Porcupine

Combined Financial Statements

At and for the years ended December 31, 2023 and 2022

Index to Financial Statements

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Report of Independent Auditors

Board of Directors
Newmont Corporation

Opinion

We have audited the combined financial statements of the Porcupine gold mine (the Company), which comprise the combined balance sheets as of December 31, 2023 and 2022, and the related combined statements of operations, comprehensive income (loss), changes in equity and cash flows for the years then ended, and the related notes (collectively referred to as the "financial statements".

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company at December 31, 2023 and 2022, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free of material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free of material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Ernst + Young LLP

September 30, 2024

Combined Statements of Operations
(in thousands)

	Year Ended December 31, 2023	2022
Sales (Note 4)	$ 502,776	$ 503,788
Costs and expenses:		
Costs applicable to sales [1]	302,272	283,200
Depreciation and amortization	117,392	103,545
Reclamation (Note 6)	117,895	97,626
Exploration	13,031	13,516
Advanced projects, research and development	8,658	7,018
General and administrative	12,804	14,289
Impairment charges (Note 7)	4,800	340,821
Other expense (income), net	744	(946)
	577,596	859,069
Other income, net	1,327	2,256
Loss before income and mining tax and other items	(73,493)	(353,025)
Income and mining tax benefit (Note 8)	20,862	25,742
Net loss	$ (52,631)	$ (327,283)

(1) Excludes *Depreciation and amortization* and *Reclamation*.

The accompanying notes are an integral part of the combined financial statements.

Combined Statements of Comprehensive Income (Loss)
(in thousands)

	Year Ended December 31,	
	2023	2022
Net loss	$ (52,631)	$ (327,283)
Other comprehensive (loss) income:		
Change in pension benefits, net of tax	(2,034)	393
Other comprehensive (loss) income	(2,034)	393
Comprehensive loss	$ (54,665)	$ (326,890)

The accompanying notes are an integral part of the combined financial statements.

Combined Balance Sheets
(in thousands)

	At December 31, 2023	At December 31, 2022
ASSETS		
Trade receivables	$ 208	$ 69
Inventories (Note 10)	39,904	34,887
Stockpiles	30,966	18,338
Other receivables	17,364	6,640
Other current assets	505	1,320
Current assets	88,947	61,254
Property, plant and mine development, net (Note 11)	1,348,816	1,303,956
Stockpiles	32,776	27,004
Other non-current assets	1,603	4,278
Total assets	$ 1,472,142	$ 1,396,492
LIABILITIES		
Accounts payable	$ 31,516	$ 24,937
Employee-related benefits (Note 9)	12,196	12,942
Lease and other financing obligations (Note 12)	—	1,049
Other current liabilities (Note 13)	82,709	68,607
Current liabilities	126,421	107,535
Reclamation liabilities (Note 6)	507,597	399,565
Deferred income tax liabilities (Note 8)	153,158	176,318
Employee-related liabilities (Note 9)	20,440	19,333
Other non-current liabilities (Note 13)	—	345
Total liabilities	807,616	703,096
Commitments and contingencies (Note 14)		
EQUITY		
Accumulated other comprehensive income	240	2,274
Net Parent investment	664,286	691,122
Total equity	664,526	693,396
Total liabilities and equity	$ 1,472,142	$ 1,396,492

The accompanying notes are an integral part of the combined financial statements.

Combined Statements of Cash Flows
(in thousands)

	Year Ended December 31,	
	2023	2022
Operating activities:		
Net loss	$ (52,631)	$ (327,283)
Non-cash adjustments:		
Depreciation and amortization	117,392	103,545
Reclamation	117,895	97,626
Deferred income taxes	(24,032)	(21,661)
Impairment and other charges	7,370	341,687
Pension expense	(1,320)	1,432
Other non-cash adjustments	2,660	1,132
Change in accounts receivable	(10,800)	2,791
Change in inventories and stockpiles	(22,229)	(15,064)
Change in accounts payable	5,860	9,151
Change in reclamation liabilities	(17,064)	(9,606)
Change in other assets and liabilities	1,489	(7,236)
Net cash provided by operating activities	124,590	176,514
Investing activities:		
Additions to property, plant and mine development	(149,441)	(146,146)
Net cash used in investing activities	(149,441)	(146,146)
Financing activities:		
Payments on lease and other financing obligations	(944)	(2,098)
Net transfers from (to) Parent	25,795	(28,270)
Net cash provided by (used in) financing activities	24,851	(30,368)
Net change in cash, cash equivalents and restricted cash	—	—
Cash, cash equivalents and restricted cash at beginning of period	—	—
Cash, cash equivalents and restricted cash at end of period	$ —	$ —

The accompanying notes are an integral part of the combined financial statements.

Combined Statements of Changes in Equity
(in thousands)

	Accumulated Other Comprehensive Income (Loss)	Net Parent Investment	Total Equity
Balance at January 1, 2022	$ 1,881	$ 1,046,675	$ 1,048,556
Net loss	—	(327,283)	(327,283)
Other comprehensive income	393	—	393
Net transfers to Parent	—	(28,270)	(28,270)
Balance at December 31, 2022	2,274	691,122	693,396
Net loss	—	(52,631)	(52,631)
Other comprehensive loss	(2,034)	—	(2,034)
Net transfers from Parent	—	25,795	25,795
Balance at December 31, 2023	$ 240	$ 664,286	$ 664,526

The accompanying notes are an integral part of the combined financial statements.

NOTE 1 ORGANIZATION

In February 2024, the Board of Directors of Newmont Corporation ("Newmont" or "Parent") announced its intention to divest its Porcupine gold mine ("Porcupine" or the "Company").

Porcupine consists of the Hollinger open pit and Hoyle Pond underground operations, located in the city of Timmins, Ontario, as well as the Borden underground operation, located near the town of Chapleau, Ontario. The Porcupine operation is comprised of 699 mining claims, 1,105 mining patents and 157 mining leases, issued under the Ontario Mining Act, encompassing an area of 98,138 acres (39,715 hectares). The Borden operation is comprised of 488 mining cell claims, 530 surface and mining patents and 35 surface and mining leases encompassing an area of 245,232 acres (99,241 hectares). Porcupine had 2.2 million ounces of gold reserves at December 31, 2023.

NOTE 2 BASIS OF PRESENTATION

The combined financial statements of Porcupine have been prepared in accordance with accounting principles generally accepted in the United States ("GAAP"). The Company historically existed and functioned as an operating segment of Newmont. The combined financial statements were prepared on a standalone basis and were derived from the consolidated financial statements and accounting records of Newmont. The assets, liabilities and operations of Porcupine have historically been held and managed by various legal entities within Newmont and do not represent the operations of a single, separate legal entity or a group of separate legal entities.

The combined statements of operations include all revenues and costs directly attributable to Porcupine's operations. The combined statements of operations also include an allocation of expenses related to certain Newmont corporate functions, including executive management, finance, legal, information technology, human resources and other shared services. These expenses have been allocated based on direct usage or benefit where specifically identifiable, with the remainder allocated using a proportional cost allocation method based primarily on production of gold equivalent ounces.

The Company believes the allocation methodology is reasonable for all periods presented. However, the allocations may not reflect the expenses the Company would have incurred as a standalone entity for the periods presented. Multiple factors, including the chosen organizational structure, division between outsourced and in-house functions, and strategic decisions made in areas such as information technology and capital expenditures, would impact the actual costs incurred by Porcupine. The Company determined that it is not practicable to determine these standalone costs for the periods presented. As a result, the combined financial statements are not indicative of Porcupine's financial condition, results of operations or cash flows had Porcupine operated as a standalone entity during the periods presented, and the results presented in the combined financial statements are not indicative of Porcupine's future financial condition, results of operations or cash flows.

Newmont utilizes a centralized approach to cash management and financing of its operations. These arrangements may not be reflective of the way Porcupine would have financed its operations had it been a separate, standalone entity during the periods presented. The centralized cash management arrangements are excluded from the asset and liability balances in Porcupine's combined balance sheets. These amounts have instead been included in *Net Parent investment* as a component of equity. Newmont's third-party debt and related interest expense have not been attributed to Porcupine because the Company is not the legal obligor of the debt, and the borrowings are not specifically identifiable to Porcupine's operations.

Income tax amounts in the combined financial statements have been calculated using the separate return method and presented as if Porcupine was a separate taxpayer in the respective jurisdictions.

Transactions between Porcupine and Newmont are reflected as *Net Parent investment* in the combined balance sheets and as financing activities in the combined statements of cash flows. Refer to Note 5 for additional information regarding the relationship between Porcupine and Newmont. Intercompany accounts and transactions within Porcupine have been eliminated in the preparation of the combined financial statements.

NOTE 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Risks and Uncertainties

As a mining operation, the Company's revenue, profitability and future rate of growth are substantially dependent on prevailing gold prices. Historically, the commodity markets have been very volatile, and there can be no assurance that gold prices will not be subject to wide fluctuations in the future. A substantial or extended decline in the price of gold could have a material adverse effect on the Company's financial position, results of operations, cash flows, access to capital and on the quantities of reserves that the Company can economically produce. The carrying value of the Company's *Property, plant and mine development, net; Inventories*; *Stockpiles*; and *Deferred income tax assets* are particularly sensitive to the outlook for gold prices. A decline in the Company's price outlook from current levels could result in material impairment charges related to these assets.

The Company is exposed to risks associated with public health crises, including epidemics and pandemics such as COVID-19, and geopolitical and macroeconomic pressures. The Company continues to experience the impacts from recent geopolitical and macroeconomic pressures. With the resulting volatile environment, the Company continues to monitor inflationary conditions, the effects of certain countermeasures taken by central banks, and the potential for further supply chain disruptions as well as an uncertain and evolving labor market.

The following factors could have further potential short- and, possibly, long-term material adverse impacts on the Company including, but not limited to, volatility in commodity prices and the price of gold, changes in the equity and debt markets or country specific factors adversely impacting discount rates, significant cost inflation impacts on production, capital and asset retirement costs, logistical challenges, workforce interruptions and financial market disruptions, energy market disruptions, as well as potential impacts to estimated costs and timing of projects. In light of these challenging conditions, the Company recorded goodwill impairment charges at December 31, 2022. Refer to Note 7 for further information.

Use of Estimates

The preparation of the combined financial statements requires the Company to make estimates and assumptions that affect the reported amounts of assets and liabilities and the related disclosure of contingent assets and liabilities at the date of the combined financial statements and the reported amounts of revenues and expenses, including allocations from Newmont, during the periods presented. The Company must make these estimates and assumptions because certain information used is dependent on future events, cannot be calculated with a high degree of precision from data available or simply cannot be readily calculated based on generally accepted methodologies. Actual results could differ from these estimates.

The more significant areas requiring the use of estimates and assumptions relate to mineral reserves that are the basis for future cash flow estimates utilized in impairment calculations and units-of-production amortization calculations; environmental remediation, reclamation and closure obligations; estimates of recoverable gold in stockpile inventories; estimates of fair value for asset impairments; write-downs of inventory, stockpiles to net realizable value; post-employment, post-retirement and other employee benefit liabilities; valuation allowances for deferred tax assets; provisional amounts related to income tax effects of newly enacted tax laws; provisional amounts related to uncertain tax positions; and reserves for contingencies and litigation. The Company bases its estimates on historical experience and on various other assumptions that are believed to be reasonable under the circumstances. Accordingly, actual results may differ from the amounts estimated in these combined financial statements.

Stockpiles and Inventories

As described below, costs that are incurred in or benefit the productive process are accumulated as stockpiles and inventories. Stockpiles and inventories are carried at the lower of average cost or net realizable value. Net realizable value represents the estimated future sales price of the product based on current and long-term metals prices, less the estimated costs to complete production and bring the product to sale. Write-downs of stockpiles and inventories to net realizable value are reported as a component of *Costs applicable to sales* and *Depreciation and amortization*. The current portion of stockpiles and inventories is determined based on the expected amounts to be processed within the next 12 months and utilize the short-term metal price assumption in estimating net realizable value. Stockpiles and inventories not expected to be processed within the next 12 months are classified as non-current and utilize the long-term metal price assumption in estimating net realizable value. The major classifications are as follows:

Stockpiles

Stockpiles represent ore that has been extracted from the mine and is available for further processing. Mine sequencing may result in mining material at a faster rate than can be processed. The Company generally processes the highest ore grade material first to maximize metal production; however, a blend of metal stockpiles may be processed to balance hardness and/or metallurgy in order to maximize throughput and recovery. Processing of lower grade stockpiled ore may continue after mining operations are completed. Sulfide copper ores are subject to oxidation over time which can reduce expected future recoveries. Stockpiles are measured by estimating the number of tons added and removed from the stockpile, the number of contained ounces or pounds (based on assay data) and the estimated metallurgical recovery rates (based on the expected processing method). Stockpile ore tonnages are verified by periodic surveys. Costs are added to stockpiles based on current mining costs incurred including applicable overhead and depreciation and amortization relating to mining operations and removed at each stockpile's average cost per recoverable unit as material is processed. Carrying values are evaluated at least quarterly, in accordance with the above.

In-process Inventory

In-process inventories represent material that is currently in the process of being converted to a saleable product. Conversion processes vary depending on the nature of the ore and the specific processing facility but include mill in-circuit and carbon-in-leach. In-process material is measured based on assays of the material fed into the process and the projected recoveries of the respective processing plants. In-process inventories are valued at the lower of the average cost of the material fed into the process attributable to the source material coming from the mines, stockpiles, plus the in-process conversion costs, including applicable amortization relating to the process facilities incurred to that point in the process or net realizable value.

Precious Metals Inventory

Precious metals inventories include gold doré and/or gold bullion. Precious metals that result from the Company's mining and processing activities are valued at the lower of the average cost of the respective in-process inventories incurred prior to the refining process, plus applicable refining costs or net realizable value.

Materials and Supplies

Materials and supplies are valued at the lower of average cost or net realizable value. Cost includes applicable taxes and freight.

Property, Plant and Mine Development

Facilities and Equipment

Expenditures for new facilities or equipment and expenditures that extend the useful lives of existing facilities or equipment are capitalized and recorded at cost. Facilities and equipment acquired as a part of a finance lease, build-to-suit or other financing arrangement are capitalized and recorded based on the contractual lease terms. The facilities and equipment are depreciated using the straight-line method at rates sufficient to depreciate such capitalized costs over the estimated productive lives of such facilities. These estimated productive lives do not exceed the related estimated mine lives, which are based on proven and probable reserves.

Mine Development

Mine development costs include engineering and metallurgical studies, drilling and other related costs to delineate an ore body, the removal of overburden to initially expose an ore body at open pit surface mines and the building of access ways, shafts, lateral access, drifts, ramps and other infrastructure at underground mines. Costs incurred before mineralization is classified as proven and probable reserves are expensed and classified as *Exploration* or *Advanced projects, research and development* expense. Capitalization of mine development project costs that meet the definition of an asset begins once mineralization is classified as proven and probable reserves.

Drilling and related costs are capitalized for an ore body where proven and probable reserves exist and the activities are directed at obtaining additional information on the ore body or converting measured, indicated and inferred resources to proven and probable reserves. All other drilling and related costs are expensed as incurred. Drilling costs incurred during the production phase for operational ore control are allocated to inventory costs and then included as a component of *Costs applicable to sales*.

The cost of removing overburden and waste materials to access the ore body at an open pit mine prior to the production phase are referred to as "pre-stripping costs." Pre-stripping costs are capitalized during the development of an open pit mine. Where multiple open pits exist at a mining complex utilizing common processing facilities, pre-stripping costs are capitalized at each pit. The removal, production, and sale of de minimis saleable materials may occur during the development phase of an open pit mine and are assigned incremental mining costs related to the removal of that material.

The production phase of an open pit mine commences when saleable minerals, beyond a de minimis amount, are produced. Stripping costs incurred during the production phase of a mine are variable production costs that are included as a component of inventory to be recognized in *Costs applicable to sales* in the same period as the revenue from the sale of inventory.

Mine development costs are amortized using the units-of-production method based on estimated recoverable ounces or pounds in proven and probable reserves. To the extent that these costs benefit an entire ore body, they are amortized over the estimated life of the ore body. Costs incurred to access specific ore blocks or areas that only provide benefit over the life of that area are amortized over the estimated life of that specific ore block or area.

Underground development costs are capitalized as incurred. Costs incurred before mineralization is classified as proven and probable reserves are expensed and classified as *Exploration* or *Advanced projects, research and development* expense. Capitalization of mine development project costs that meet the definition of an asset begins once mineralization is classified as proven and probable reserves.

Mineral Interests

Mineral interests include acquired interests in production, development and exploration stage properties. Mineral interests are capitalized at their fair value at the acquisition date, either as an individual asset purchase or as part of a business combination. Mineral interests in the development and exploration stage are not amortized until the underlying property is converted to the production stage, at which point the mineral interests are amortized over the estimated recoverable proven and probable reserves.

The value of such assets is primarily driven by the nature and amount of mineral interests believed to be contained in such properties. Production stage mineral interests represent interests in operating properties that contain proven and probable reserves and are amortized using the units-of-production method based on the estimated recoverable ounces or pounds in proven and probable reserves. Development stage mineral interests represent interests in properties under development that contain proven and probable reserves. Exploration stage mineral interests represent interests in properties that are believed to potentially contain mineral resources consisting of (i) mineral resources within pits; mineral resources with insufficient drill spacing to qualify as proven and probable reserves; and mineral resources in close proximity to proven and probable reserves; (ii) around-mine exploration potential not immediately adjacent to existing reserves and mineralization, but located within the immediate mine area; (iii) other mine-related exploration potential that is not part of current resources and is comprised mainly of material outside of the immediate mine area; (iv) greenfield exploration potential that is not associated with any other production, development or exploration stage property, as described above; or (v) any acquired right to explore or extract a potential mineral deposit. The Company's mineral rights generally are enforceable regardless of whether proven and probable reserves have been established. In certain limited situations, the nature of a mineral right changes from an exploration right to a mining right upon the establishment of proven and probable reserves. The Company has the ability and intent to renew mineral interests where the existing term is not sufficient to recover all identified and valued proven and probable reserves and/or undeveloped mineral resources.

Goodwill

Goodwill represents the excess of the purchase price over the estimated fair value of the net assets acquired. Goodwill is tested for impairment annually as of December 31 and when events or changes in circumstances indicate that the carrying value of a reporting unit exceeds its fair value.

The Company may elect to perform a qualitative assessment when it is more likely than not that the fair value of a reporting unit is higher than its carrying value. If the Company determines that it is more likely than not that the fair value is less than the carrying value, a quantitative goodwill impairment test is performed to determine the fair value of the reporting unit. The fair value of a reporting unit is determined using either the income approach utilizing estimates of discounted future cash flows or the market approach utilizing recent transaction activity for comparable properties. These approaches are considered Level 3 fair value measurements. If the carrying amount of the reporting unit exceeds its fair value, an impairment loss is recognized in an amount equal to that excess, limited to the total amount of goodwill allocated to the reporting unit.

The estimated cash flows used to assess the fair value of a reporting unit are derived from the Company's current business plans, which are developed using short-term price forecasts reflective of the current price environment and management’s projections for long-term average gold prices. In addition to short- and long-term gold price assumptions, other assumptions include estimates of commodity-based and other input costs; capital investments; proven and probable mineral reserves estimates, including the timing and cost to develop and produce the reserves; value beyond proven and probable mineral reserve estimates; estimated future closure costs; the use of appropriate discount rates; and applicable U.S. dollar long-term exchange rates.

Impairment of Long-lived Assets

The Company reviews and evaluates its long-lived assets for impairment when events or changes in circumstances indicate that the related carrying amounts may not be recoverable. An impairment loss is measured and recorded based on the estimated fair value of the long-lived assets being tested for impairment, and their carrying amounts. Fair value is typically determined through the use of an income approach utilizing estimates of discounted pre-tax future cash flows or a market approach utilizing recent transaction activity for comparable properties. These approaches are considered Level 3 fair value measurements.

The estimated undiscounted cash flows used to assess recoverability of long-lived assets and to measure the fair value of the Company's mining operations are derived from current business plans, which are developed using short-term price forecasts reflective of the current price environment and management’s projections for long-term average metal prices. In addition to short- and long-term metal price assumptions, other assumptions include estimates of commodity-based and other input costs; proven and probable mineral reserve estimates, including the timing and cost to develop and produce the reserves; value beyond proven and probable mineral reserve estimates; estimated future closure costs; and the use of appropriate discount rates.

In estimating undiscounted cash flows, assets are grouped at the lowest level for which there are identifiable cash flows that are largely independent of undiscounted cash flows from other asset groups. The Company's estimates of undiscounted cash flows are based on numerous assumptions and it is possible that actual cash flows may differ significantly from estimates, as actual produced reserves, metal prices, commodity-based and other costs, and closure costs are each subject to significant risks and uncertainties.

Leases

The Company determines if a contractual arrangement represents or contains a lease at inception. Operating leases are included in *Other non-current assets* and *Other current* and *non-current liabilities* in the combined balance sheets. Finance leases are included in *Property, plant and mine development, net* and *Other current assets* in the combined balance sheets.

Operating and finance lease right-of-use ("ROU") assets and lease liabilities are recognized at the lease commencement date based on the present value of the future lease payments over the lease term. When the rate implicit to the lease cannot be readily determined, the Company utilizes its incremental borrowing rate in determining the present value of the future lease payments. The incremental borrowing rate is derived from information available at the lease commencement date and represents the rate of interest that the Company would have to pay to borrow on a collateralized basis over a similar term and amount equal to the lease payments in a similar economic environment. The ROU asset includes any lease payments made and lease incentives received prior to the commencement date. Operating lease ROU assets also include any cumulative prepaid or accrued rent when the lease payments are uneven throughout the lease term. The ROU assets and lease liabilities may include options to extend or terminate the lease when it is reasonably certain that the Company will exercise that option.

The Company has lease arrangements that include both lease and non-lease components. The Company accounts for each separate lease component and its associated non-lease components as a single lease component for the majority of its asset classes. Additionally, for certain lease arrangements that involve leases of similar assets, the Company applies a portfolio approach to effectively account for the underlying ROU assets and lease liabilities.

Revenue Recognition

The Company generates revenue through the sale of gold produced at its mining operations.

The majority of the Company's *Sales* come from the sale of refined gold; however, the end product is generally doré bars. Doré is an alloy consisting primarily of gold but also containing silver and other metals. Doré is sent to refiners to produce bullion that meets the required market standard of 99.95% gold. Under the terms of the Company's refining agreements, the doré bars are refined for a fee, and the Company's share of the refined gold and the separately-recovered silver is credited to its bullion account. Gold from doré bars credited to its bullion account is typically sold to banks or refiners.

The Company recognizes revenue for gold from doré production when it satisfies the performance obligation of transferring gold inventory to the customer, which generally occurs upon transfer of gold bullion credits as this is the point at which the customer obtains the ability to direct the use and obtains substantially all of the remaining benefits of ownership of the asset.

The Company generally recognizes the sale of gold bullion credits when the credits are delivered to the customer. The transaction price is determined based on the agreed upon market price and the number of ounces delivered. Payment is due upon delivery of gold bullion credits to the customer’s account.

Income and Mining Taxes

The Company's income tax provision was prepared using the separate return method. The calculation of income taxes on a separate return basis requires a considerable amount of judgment and use of both estimates and allocations. As a result, actual transactions included in Newmont's consolidated financial statements may not be included in the combined financial statements. Similarly, the tax treatment of certain items reflected in the combined financial statements may not be reflected in Newmont's consolidated financial statements and tax returns. Therefore, items such as net operating losses, credit carryforwards and valuation allowances may exist in the combined financial statements that may or may not exist in Newmont’s consolidated financial statements.

All income taxes due to or due from Newmont that have not been settled or recovered by the end of the period are reflected in *Net Parent investment*. Any differences between actual amounts paid or received by the Company and taxes accrued under the separate return method are deemed to be settled and are reflected in *Net Parent investment* in the combined balance sheets.

The Company accounts for income taxes using the liability method, recognizing certain temporary differences between the financial reporting basis of the Company's liabilities and assets and the related income tax basis for such liabilities and assets. This method generates either a net deferred income tax liability or asset for the Company, as measured by the statutory tax rates in effect. The Company derives its deferred income tax charge or benefit by recording the change in either the net deferred income tax liability or asset balance for the year. The financial statement effects of changes in tax law are recorded as discrete items in the period enacted as part of income tax expense or benefit from continuing operations, regardless of the category of income or loss to which the deferred taxes relate. The Company determines if the assessment of a particular income tax effect is “complete.” Those effects for which the accounting is determined to be complete are reported in the enactment period financial statements. The Company has exposure to the impact of foreign exchange fluctuations on tax positions, such movements are recorded within *Income and mining tax benefit* related to deferred income tax assets and liabilities.

Mining taxes represent provincial taxes levied on mining operations and are classified as income taxes. As such, taxes are based on a percentage of mining profits.

The Company operates in Canada where uncertainties arise in the application of complex tax regulations. Some of these tax regimes are defined by contractual agreements with the local government, while others are defined by general tax laws and regulations. The Company is subject to reviews of its income tax filings and other tax payments, and disputes can arise with the taxing authorities over the interpretation of its contracts or laws. The Company recognizes potential liabilities and records tax liabilities for anticipated tax audit issues in Canada based on its estimate of whether it is more likely than not, and the extent to which, additional taxes will be due. The Company adjusts these reserves in light of changing facts and circumstances; however, due to the complexity of some of these uncertainties, the ultimate resolution may result in a payment that is materially different from the Company's current estimate of the tax liabilities. If the Company's estimate of tax liabilities proves to be less than the ultimate assessment, an additional charge to expense would result. If the estimate of tax liabilities proves to be greater than the ultimate assessment, a tax benefit would result. The Company recognizes interest and penalties, if any, related to unrecognized tax benefits in *Income and mining tax benefit*.

Valuation of Deferred Tax Assets

The Company's deferred income tax assets include certain future tax benefits. The Company records a valuation allowance against any portion of those deferred income tax assets when it believes, based on the weight of available evidence, it is more likely than not that some portion or all of the deferred income tax asset will not be realized. The Company reviews the likelihood that it will realize the benefit of its deferred tax assets and therefore the need for valuation allowances on a quarterly basis, or more frequently if events indicate that a review is required. In determining the requirement for a valuation allowance, the historical and projected financial results of the legal entity or combined group recording the net deferred tax asset is considered, along with all other available positive and negative evidence.

Certain categories of evidence carry more weight in the analysis than others based upon the extent to which the evidence may be objectively verified. The Company looks to the nature and severity of cumulative pretax losses (if any) in the current three-year period ending on the evaluation date, recent pretax losses and/or expectations of future pretax losses. Other factors considered in the determination of the probability of the realization of the deferred tax assets include, but are not limited to:

- Earnings history;
- Projected future financial and taxable income based upon existing reserves and long-term estimates of commodity prices;
- The duration of statutory carry forward periods;
- Prudent and feasible tax planning strategies readily available that may alter the timing of reversal of the temporary difference;
- Nature of temporary differences and predictability of reversal patterns of existing temporary differences; and
- The sensitivity of future forecasted results to commodity prices and other factors.

Concluding that a valuation allowance is not required is difficult when there is significant negative evidence which is objective and verifiable, such as cumulative losses in recent years. The Company utilizes a rolling twelve quarters of pre-tax income or loss as a measure of its cumulative results in recent years. However, a cumulative three year loss is not solely determinative of the need for a valuation allowance. The Company also considers all other available positive and negative evidence in its analysis.

Reclamation Costs

Reclamation obligations associated with Porcupine's operations are recognized when an obligation is incurred and the fair value can be reasonably estimated. Fair value is measured as the present value of expected cash flow estimates, after considering inflation, our credit-adjusted risk-free rates and a market risk premium appropriate for the Company's operations. The liability is accreted over time through periodic charges to earnings. In addition, the asset retirement cost is capitalized as part of the asset’s carrying value and amortized over the life of the related asset. Reclamation costs are periodically adjusted to reflect changes in the estimated present value resulting from the passage of time and revisions to the estimates of either the timing or amount of the reclamation costs. Changes in reclamation estimates at mines that are not currently operating, as the mine or portion of the mine site has entered the closure phase and has no substantive future economic value, are reflected in earnings in the period an estimate is revised. The estimated reclamation obligation is based on when spending for an existing disturbance is expected to occur. Costs included in estimated asset retirement obligations are discounted to their present value as cash flows are readily estimable over a period of up to fifty years. The Company reviews, on an annual basis, unless otherwise deemed necessary, the reclamation obligation in accordance with GAAP guidance for asset retirement obligations.

Fair Value Accounting

Fair value accounting establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described below:

Level 1 Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities;

Level 2 Quoted prices in markets that are not active, quoted prices for similar assets or liabilities in active markets, quoted prices or inputs that are observable, either directly or indirectly, for substantially the full term of the asset or liability and model-based valuation techniques (e.g. the Black-Scholes model) for which all significant inputs are observable in the market or can be corroborated by observable market data for substantially the full term of the assets or liabilities; and

Level 3 Prices or valuation techniques that require inputs that are both significant to the fair value measurement and unobservable (supported by little or no market activity).

The Company's financial instruments measured on a recurring basis primarily include receivables and payables for which the carrying value approximates fair value due to the short maturities and are classified within Level 1.

The Company's long-lived assets are subject to fair value measurement as a result of impairment tests performed for the years ended December 31, 2023 and 2022.

Foreign Currency

The functional currency of the Company's operations is the U.S. dollar. Transaction gains and losses related to foreign currency denominated monetary assets and liabilities where the functional currency is the U.S. dollar are remeasured at current exchange rates and the resulting adjustments are included in *Other income, net*. All assets and liabilities are translated into the U.S. dollar using exchange rates in effect at the balance sheet date, while revenues and expenses are translated at the weighted average exchange rates for the period.

Recently Adopted Accounting Pronouncements

Effects of Reference Rate Reform

In March 2020, the Financial Accounting Standards Board's Accounting Standard Update ("ASU") No. 2020-04 was issued which provides optional guidance for a limited period of time to ease the potential burden on accounting for contract modifications caused by reference rate reform. In January 2021, ASU No. 2021-01 was issued which broadened the scope of ASU No. 2020-04 to include certain derivative instruments. In December 2022, ASU No. 2022-06 was issued which deferred the sunset date of ASU No. 2020-04. The guidance is effective for all entities as of March 12, 2020 through December 31, 2024. The guidance may be adopted over time as reference rate reform activities occur and should be applied on a prospective basis. The Company has completed its review of key contracts and does not expect the guidance to have a material impact to the combined financial statements or disclosures. The Company will continue to review new contracts to identify references to the London Interbank Offered Rates and implement adequate fallback provisions if not already implemented to mitigate the risks or impacts from the transition.

Recently Issued Accounting Pronouncements

Pillar II

In 2024, Pillar II is set to take effect. The Pillar II agreement was signed by 138 countries with the intent to equalize corporate tax around the world by implementing a global minimum tax of 15%. As the Company primarily does business in jurisdictions with a tax rate greater than 15%, the Company does not anticipate a material impact to the combined financial statements.

Improvement to Income Tax Disclosures

In December 2023, ASU 2023-09 was issued which requires disaggregated information about the effective tax rate reconciliation and additional information on taxes paid that meet a qualitative threshold. The new guidance is effective for annual reporting periods beginning after December 15, 2024, with early adoption permitted. The Company is currently evaluating the impacts of the guidance on its combined financial statements.

NOTE 4 SALES

The Company recognizes revenue from the sale of gold doré produced in Canada.

Trade Receivables

At December 31, 2023 and 2022, *Trade receivables* wholly consisted of sales from gold doré, which includes provisionally priced carbon fines.

Revenue by Geographic Area

The Company primarily conducts gold sales in U.S. dollars, and therefore *Sales* are not exposed to fluctuations in foreign currencies. Revenues from sales attributed to countries based on the locations of the customer were as follows (in thousands):

	Year Ended December 31,	
	2023	2022
United Kingdom	$ 470,247	$ 502,230
Canada	26,648	1,558
United States	5,881	—
	$ 502,776	$ 503,788

Revenue by Major Customer

As gold can be sold through numerous gold market traders worldwide, the Company is not economically dependent on a limited number of customers for the sales of its product.

In 2023, sales to JPMorgan Chase were $191.1 million (38.0%), Toronto Dominion Bank were $181.5 million (36.1%), and Standard Chartered were $98.0 million (19.5%) of total gold sales. In 2022, sales to Standard Chartered were $316.4 million (62.8%), JPMorgan Chase were $127.0 million (25.2%), and Toronto Dominion Bank were $60.5 million (12.0%) of total gold sales.

NOTE 5 RELATED PARTY TRANSACTIONS

Historically, Porcupine has been managed and operated in the normal course of business with other affiliates of Newmont. Accordingly, certain shared costs have been allocated to Porcupine and reflected as expenses in the combined financial statements.

The combined financial statements include corporate costs incurred by Newmont for services that are provided to or on behalf of Porcupine. The corporate costs include allocations of costs incurred associated with executive management, finance, legal, information technology, human resources and other shared services. These costs have been allocated to Porcupine based primarily on its production of gold equivalent ounces. Newmont management and Porcupine believe the allocation methodology is reasonable and appropriately represents Newmont's historical expenses that were attributable to Porcupine. However, the expenses reflected in the combined financial statements may not be indicative of the actual expenses that would have been incurred during the periods presented had Porcupine historically operated as a separate, standalone entity. In addition, the expenses reflected in the combined financial statements may not be indicative of expenses that Porcupine will incur in the future.

The allocated costs in the combined statements of operations were as follows (in thousands):

	Year Ended December 31,	
	2023	2022
Costs applicable to sales	$ 15,668	$ 15,039
General and administrative	11,684	13,050
Advanced projects, research and development	3,817	5,434
Exploration	455	635
	$ 31,624	$ 34,158

Shared Facilities

Porcupine shares office space and other non-operational related facilities with Newmont and other Newmont operations where Porcupine is not the primary or exclusive user of the assets. At these shared facilities, the assets have been excluded from the combined balance sheets. However, the Company has been charged a cost for its usage of these shared assets. The amount charged to *General and administrative* in the combined statements of operations was $1.1 million and $1.2 million for the years ended December 31, 2023 and 2022, respectively.

NOTE 6 RECLAMATION

The Company's mining and exploration activities are subject to various laws and regulations governing the protection of the environment. These laws and regulations are continually changing and are generally becoming more restrictive. The Company conducts its operations to protect public health and the environment and believes its operations are in compliance with applicable laws and regulations in all material respects. The Company has made, and expects to make in the future, expenditures to comply with such laws and regulations, but cannot predict the full amount of such future expenditures. Estimated future reclamation costs are based principally on current legal and regulatory requirements.

The Company's *Reclamation* expense consisted of (in thousands):

	Year Ended December 31, 2023	Year Ended December 31, 2022
Reclamation adjustments and other	$ 99,811	$ 90,860
Reclamation accretion	18,084	6,766
Reclamation expense	$ 117,895	$ 97,626

The following are reconciliations of *Reclamation liabilities* (in thousands):

	2023	2022
Balance at January 1,	$ 430,672	$ 231,302
Additions, changes in estimates and other	106,275	202,210
Payments, net	(17,064)	(9,606)
Accretion expense	18,084	6,766
Balance at December 31,	$ 537,967	$ 430,672

	At December 31, 2023	At December 31, 2022
Current [(1)]	$ 30,370	$ 31,107
Non-current [(2)]	507,597	399,565
	$ 537,967	$ 430,672

(1) The current portion of reclamation liabilities is included in *Other current liabilities*.

(2) The non-current portion of reclamation liabilities is included in *Reclamation liabilities.*

The amounts accrued are reviewed periodically based upon facts and circumstances available at the time. Changes in estimates are recorded in *Other current liabilities* and *Reclamation liabilities* in the period estimates are revised.

Refer to Note 14 for further discussion of reclamation matters.

NOTE 7 IMPAIRMENT CHARGES

The estimated cash flows utilized in both the long-lived asset and goodwill impairment evaluations are derived from the Company's current business plans. The Company completed its annual business plan update which reflected updated mine plans, certain adverse changes in market conditions, including inflationary pressures to costs and capital, strategic evaluation regarding the use of capital, and updates to asset retirement costs.

Impairment of goodwill

The Company evaluates its goodwill for impairment annually at December 31 or when events or changes in circumstances indicate that the fair value of a reporting unit is less than its carrying value. Based on the December 31, 2023 review, the Company concluded that there was no goodwill impairment.

Based on the December 31, 2022 review, the Company concluded that goodwill was impaired due to a deterioration in underlying cash flows from higher costs due to inflationary pressures and higher capital costs related to safety enhancements and the expansion of the active tailings storage facility, ensuring compliance with Global Industry Standard on Tailings Management, as well as an increase to the asset retirement cost. As a result, a non-cash impairment charge of $340.8 million was recognized, which represented the full goodwill balance prior to impairment. Porcupine's long-lived assets were evaluated for impairment prior to the quantitative goodwill test and no impairment was identified.

The Company measured the impairment by comparing the total fair value of the existing operations to the corresponding reporting unit carrying value. The estimated fair value was determined using the income approach and is considered a non-recurring level 3 fair value measurement. Significant inputs to the fair value measured included (i) updated cash flow information from the Company's current business and closure plans, (ii) a short-term gold price of $1,750, (iii) a long-term gold price of $1,600, (iv) current estimates of reserves, resources, and exploration potential and (v) a reporting unit discount rate of 4.50%. The selected discount rate incorporates an additional premium related to operational risk at the Company.

Impairment of long-lived and other assets

The Company reviews and evaluates its long-lived assets for impairment when events or changes in circumstances indicate that the related carrying amounts may not be recoverable. If the expected future undiscounted cash flows from the use and eventual disposition of the asset or asset group are less than the carrying amount of the assets, an impairment loss is recognized. The Company measures impairment by comparing the total fair value of the existing operations to the carrying value of the corresponding assets. The Company recognized a long-lived asset impairment of $4.8 million during the year ended December 31, 2023. The Company had no long-lived asset impairments during the year ended December 31, 2022.

NOTE 8 INCOME AND MINING TAXES

The Company's *Income and mining tax benefit* consisted of (in thousands):

	Year Ended December 31, 2023	Year Ended December 31, 2022
Current:		
Canada	$ (3,170)	$ 4,081
Deferred:		
Canada	24,032	21,661
Income and mining tax benefit	$ 20,862	$ 25,742

The Company's *Loss before income and mining tax and other items* consisted of (in thousands):

	Year Ended December 31, 2023	Year Ended December 31, 2022
Canada	$ (73,493)	$ (353,025)
Loss before income and mining tax and other items	$ (73,493)	$ (353,025)

A reconciliation of the Canadian federal statutory tax rate to the Company's effective income tax rate follows (in thousands, except percentages):

	Year Ended December 31, 2023		Year Ended December 31, 2022	
Loss before income and mining tax and other items (in thousands)		$ (73,493)		$ (353,025)
Canada statutory tax rate	15.0 %	$ 11,024	15.0 %	$ 52,954
Reconciling items:				
Provincial income taxes	10.0 %	7,349	10.0 %	35,302
Change in valuation allowance on deferred tax assets	4.8 %	3,545	0.6 %	2,282
Impact of foreign exchange	(8.9)%	(6,526)	3.9 %	13,709
Mining and other taxes (net of associated federal benefit)	7.7 %	5,642	2.0 %	6,916
Goodwill write-downs	— %	—	(24.1)%	(85,205)
Other	(0.2)%	(172)	(0.1)%	(216)
Income and mining tax benefit	28.4 %	$ 20,862	7.3 %	$ 25,742

Mining taxes in Canada represent provincial taxes levied on mining operations and are classified as income taxes as such taxes are based on a percentage of mining profits.

Components of the Company's deferred income tax assets (liabilities) are as follows (in thousands):

	At December 31, 2023	At December 31, 2022
Deferred income tax assets:		
Reclamation	$ 129,414	$ 91,693
Net operating losses	816	798
Other	103	975
	130,333	93,466
Valuation allowances	(5,600)	(9,000)
	$ 124,733	$ 84,466
Deferred income tax liabilities:		
Property, plant and mine development	$ (277,891)	$ (260,784)
	(277,891)	(260,784)
Net deferred income tax liabilities	$ (153,158)	$ (176,318)

Valuation of Deferred Tax Assets

The Company assesses the available positive and negative evidence to estimate if sufficient future taxable income will be generated to utilize the existing deferred tax assets. A significant piece of objective negative evidence evaluated was the recent pretax losses and/or expectations of future pretax losses. Such objective evidence limits the ability to consider other subjective evidence such as the Company's projections for future growth. However, the amount of the deferred tax asset considered realizable could be adjusted if estimates of future taxable income during the carryforward period are increased, if objective negative evidence in the form of cumulative losses is no longer present or if additional weight were given to subjective evidence such as the Company's projections for growth.

The Company recorded a decrease to the valuation allowance of $3.4 million to tax expense for the year ended December 31, 2023 and a decrease to the valuation allowance of $3.0 million to tax expense for the year ended December 31, 2022. Both years were primarily driven by changes in estimated taxable income projections.

Deferred Income Tax Valuation Allowance

(in thousands)	At December 31, 2023	At December 31, 2022
Balance at beginning of year	$ 9,000	$ 12,000
Reduction of deferred income tax expense	(3,400)	(3,000)
Balance at end of year	$ 5,600	$ 9,000

Refer to Note 3 for additional risk factors that could impact the Company's ability to realize the deferred tax assets.

Tax Loss Carryforwards and Unrecognized Tax Benefits

At December 31, 2023 and 2022, the Company had $3.3 million and $3.2 million of net operating loss carry forwards, respectively. These net operating loss carry forwards will expire between 2036 and 2038.

From time to time, Company is subject to a review of its historic income tax filings and in connection with such reviews, disputes can arise with the taxing authorities over the interpretation of or the application of certain rules to the business conducted within the jurisdiction involved. The Company's practice is to recognize interest and/or penalties related to unrecognized tax benefits as part of *Income and mining tax benefit*, if applicable. In the years ended December 31, 2023 and 2022, the Company did not have any unrecognized tax benefits.

NOTE 9 EMPLOYEE-RELATED BENEFITS

(in thousands)	At December 31, 2023	At December 31, 2022
Current:		
Accrued payroll and withholding taxes	$ 9,835	$ 10,445
Employee pension benefits	406	400
Other employee-related payables	1,955	2,097
	$ 12,196	$ 12,942
Non-current:		
Accrued severance	$ 16,875	$ 15,880
Employee pension benefits	3,565	3,453
	$ 20,440	$ 19,333

Defined Benefit Plan

The Company provides a defined benefit pension plan to eligible employees. Benefits are generally based on years of service and the multiplier negotiated in the collective bargaining agreement. The plan is funded based on local laws and requirements. Pension costs are determined annually by independent actuaries, and the measurement date used for determining the pension plan assets and obligations is December 31, the Company's fiscal year end.

The following table provides a reconciliation of changes in the fair value of the plan's benefit obligations and assets for the years ended December 31, 2023 and 2022 (in thousands):

	2023	2022
Change in benefit obligation:		
Benefit obligation at beginning of year	$ 36,875	$ 52,488
Service cost	966	1,741
Interest cost	1,854	1,491
Actuarial loss (gain)	2,416	(13,256)
Foreign currency exchange loss (gain)	947	(3,035)
Benefits paid	(2,770)	(2,554)
Amendments	1,901	—
Projected benefit obligation at end of year	42,189	36,875
Accumulated benefit obligation	$ 42,189	$ 36,875
Change in fair value of assets:		
Fair value of assets at beginning of year	$ 36,987	$ 50,052
Actual return (loss) on plan assets	3,496	(9,128)
Foreign currency exchange gain (loss)	910	(2,971)
Employer contributions	1,506	1,588
Benefits paid	(2,770)	(2,554)
Fair value of assets at end of year	40,129	36,987
(Unfunded) funded status, net:	$ (2,060)	$ 112
Amounts recognized in the combined balance sheets:		
Other non-current assets	$ 1,911	$ 3,965
Employee-related benefits, current	(406)	(400)
Employee-related benefits, non-current	(3,565)	(3,453)
Net amounts recognized	$ (2,060)	$ 112

The Company's registered pension plan is funded with cash contributions in compliance with Canada Revenue Agency rules and regulations.

The significant assumptions used to measure the Company’s benefit obligation were mortality assumptions and discount rate.

The mortality assumptions used to measure the benefit obligation incorporate future mortality improvements from tables published by the Society of Actuaries ("SOA"). In 2022 and 2023, the SOA announced they would not release a new generational projection scale for the related years and instead updated the Mortality Improvement Model tool with the ability to optionally input mortality loads to model differing viewpoints of the ongoing effect of COVID. The Company utilized the Pri-2012 mortality tables and the MP-2021 generational projection scales, with no adjustment for COVID due to the Company not experiencing material mortality gain due to COVID, to measure the pension and other post retirement obligations at December 31, 2023 and 2022.

Yield curves matching the Company's benefit obligations were derived using a model based on high quality corporate bond data from Bloomberg. The model develops a discount rate by selecting a portfolio of high quality corporate bonds whose projected cash flows match the projected benefit payments of the plan. The resulting curves were used to identify a weighted average discount rate for the Company of 4.6% and 5.1% at December 31, 2023 and 2022, respectively, based on the timing of future benefit payments.

Actuarial losses (gains) of $2.4 million and $(13.3) million were recognized in the years ended December 31, 2023 and 2022, respectively, primarily due to changes in the discount rate from the prior year.

The following table provides the net pension benefit amounts recognized in *Accumulated other comprehensive income* (in thousands):

	At December 31,	
	2023	**2022**
Accumulated other comprehensive income:		
Net actuarial gain	$ 2,504	$ 3,487
Prior service credit	(2,162)	(238)
	342	3,249
Less: Income taxes	102	975
Total	$ 240	$ 2,274

The following table provides the components of net periodic benefit cost (in thousands):

	Year Ended December 31,	
	2023	**2022**
Pension benefit cost, net: (1)		
Service cost	$ 966	$ 1,741
Interest cost	1,854	1,491
Expected return on plan assets	(2,029)	(2,182)
Amortization, net	(77)	(11)
Net periodic benefit cost	$ 714	$ 1,039

(1) Service costs are included in *Costs applicable to sales* and the other components of net periodic benefit cost are included in *Other income, net*.

The following table provides the components recognized in *Other comprehensive (loss) income* (in thousands):

	Year Ended December 31,	
	2023	**2022**
Net (loss) gain	$ (949)	$ 1,946
Amortization, net	(77)	(11)
Prior service cost	(1,901)	—
Foreign currency translation	20	(178)
Total recognized in other comprehensive (loss) income	(2,907)	1,757
Total net periodic benefit cost and other comprehensive (loss) income	$ (2,193)	$ 2,796

Actuarial losses in excess of 10 percent of the greater of the projected benefit obligation or market-related value of plan assets are amortized over the expected average remaining future service period of the current active participants.

The significant assumptions in measuring the Company's net periodic benefit cost and other comprehensive loss (income) were discount rate and expected return on plan assets:

	Year Ended December 31,	
	2023	**2022**
Weighted average assumptions used in measuring the net periodic benefit cost:		
Discount rate	5.1 %	2.8 %
Expected return on plan assets	5.5 %	4.5 %

The expected long-term return on plan assets used for each period in the years ended December 31, 2023 and 2022 was determined based on an analysis of the asset returns over multiple time horizons for the Company's actual plan. At December 31, 2023, the Company estimated the expected long-term return on the pension plan's assets to be 6.0%, which will be used to determine future net periodic benefit cost. The Company determines the long-term return on plan assets by considering the most recent capital market forecasts, the plan's current asset allocation and the actual return on plan assets in comparison to the expected return on assets.

The pension plan employs an independent investment firm which invests the assets of the plan in certain approved funds that correspond to specific asset classes with associated target allocations. The goal of the pension fund investment program is to achieve prudent actuarial funding ratios while maintaining acceptable risk levels. The investment performance of the plan and that of the individual investment firms is measured against recognized market indices. The performance of the pension funds are monitored by an investment committee comprised of members of Newmont management, which is advised by an independent investment consultant. The Company did not identify any significant portfolio risks associated with the asset classes. The following is a summary of the target asset allocations for 2023 and the actual asset allocation at December 31, 2023:

Asset Allocation	**Target**	**Actual at December 31, 2023**
Debt securities	60.0 %	58.6 %
Equity securities	36.0 %	36.4 %
Real estate	4.0 %	4.1 %
Cash	— %	0.8 %

Cash equivalent instruments are classified within Level 1 of the fair value hierarchy because they are valued using quoted market prices in active markets and are primarily invested in money market securities and U.S. Treasury securities.

Commingled fund investments are managed by several fund managers and are valued at the net asset value per share for each fund. Although the majority of the underlying assets in the funds consist of actively traded equity securities and bonds, the unit of account is considered to be at the fund level. These funds require less than a month's notice for redemptions and can be redeemed at the net asset value per share.

The following table sets forth the Company's pension plan assets measured at fair value (in thousands):

	Fair Value at December 31,	
	2023	**2022**
Commingled funds:		
Debt securities	$ 23,527	$ 21,275
Equity securities	14,616	13,944
Real estate	1,649	1,446
Cash	337	322
Total	$ 40,129	$ 36,987

Cash Flows

Benefit payments expected to be paid to plan participants at December 31, 2023 are as follows (in thousands):

	Pension Plan
2024	$ 2,017
2025	$ 2,136
2026	$ 2,246
2027	$ 2,322
2028	$ 2,395
Thereafter	$ 13,347

Defined Contribution and Other Benefit Plans

Newmont has a registered defined contribution pension plan in Canada, which covers salaried and hourly employees. When an employee meets eligibility requirements, Newmont contributes 5% of employees' eligible earnings, plus matches 100% of employee contributions of up to 4% of eligible earnings. Matching contributions are made in cash. In addition, Newmont has one non-qualified supplemental savings plan for executive-level employees whose benefits under the qualified plan are limited by federal regulations. The amount charged to *Costs applicable to sales* in the combined statements of operations was $4.9 million and $5.0 million for the years ended December 31, 2023 and December 31, 2022, respectively.

NOTE 10 INVENTORIES

(in thousands)	At December 31, 2023	At December 31, 2022
Materials and supplies	$ 24,132	$ 21,978
In-process	9,666	9,282
Precious metals	6,106	3,627
	$ 39,904	$ 34,887

The Company recorded write-downs of $2.6 million and $0.9 million, classified as components of *Costs applicable to sales* for the years ended December 31, 2023 and 2022, respectively and recorded write-downs of $0.9 million and $0.2 million classified as components of *Depreciation and amortization* for the years ended December 31, 2023 and 2022, respectively, to reduce the carrying value of inventory to net realizable value.

NOTE 11 PROPERTY, PLANT AND MINE DEVELOPMENT

Property, plant and mine development balances at December 31, 2023 and 2022 were as follows (in thousands):

	Depreciable Life (in years)	At December 31, 2023			At December 31, 2022		
		Cost	Accumulated Depreciation	Net Book Value	Cost	Accumulated Depreciation	Net Book Value
Land		$ 3,105	$ —	$ 3,105	$ 1,085	$ —	$ 1,085
Facilities and equipment [(1)]	1-30	565,577	(170,604)	394,973	417,185	(134,515)	282,670
Mine development	1-30	180,902	(65,442)	115,460	126,242	(37,588)	88,654
Mineral interests	1-30	987,383	(244,632)	742,751	987,368	(195,445)	791,923
Construction-in-progress		92,527	—	92,527	139,624	—	139,624
		$ 1,829,494	$ (480,678)	$ 1,348,816	$ 1,671,504	$ (367,548)	$ 1,303,956

(1) At December 31, 2022, Facilities and equipment included finance lease right of use assets of $1.8 million.

Mineral interests balances at December 31, 2023 and 2022 were as follows (in thousands):

	Depreciable Life (in years)	At December 31, 2023			At December 31, 2022		
		Cost	Accumulated Depreciation	Net Book Value	Cost	Accumulated Depreciation	Net Book Value
Production stage	1-30	$ 456,388	$ (244,632)	$ 211,756	$ 439,254	$ (195,445)	$ 243,809
Exploration stage	(1)	530,995	—	$ 530,995	548,114	—	548,114
		$ 987,383	$ (244,632)	$ 742,751	$ 987,368	$ (195,445)	$ 791,923

(1) These amounts are currently non-depreciable as these mineral interests have not reached production stage.

NOTE 12 LEASE AND OTHER FINANCING OBLIGATIONS

The Company has operating and finance leases for mining equipment. The Company's operating leases have a remaining lease term of less than one year at December 31, 2023. At December 31, 2023, the Company did not have any remaining finance leases.

Total lease cost includes the following components (in thousands):

	Year Ended December 31, 2023	Year Ended December 31, 2022
Operating lease cost	$ 645	$ 667
Finance lease cost:		
Amortization of ROU assets	894	2,027
Interest on lease liabilities	10	74
	904	2,101
	$ 1,549	$ 2,768

Supplemental cash flow information related to leases includes the following (in thousands):

	Year Ended December 31,	
	2023	2022
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows relating to operating leases	$ 214	$ —
Operating cash flows relating to finance leases	$ 10	$ 74
Financing cash flows relating to finance leases	$ 944	$ 2,098
Non-cash lease obligations arising from obtaining ROU assets:		
Operating leases	$ 25	$ 49

Information related to lease terms and discount rates is as follows:

	Operating Leases
Weighted average remaining lease term (years)	0.6
Weighted average discount rate	3.5 %

Future minimum lease payments under non-cancellable leases at December 31, 2023, were as follows (in thousands):

	Operating Leases (1)
2024	$ 391
2025	—
2026	—
2027	—
2028	—
Thereafter	—
Total future minimum lease payments	391
Less: Imputed interest	12
Total	$ 379

(1) The current portion of operating lease liabilities is included in *Other current liabilities* on the combined balance sheets.

At December 31, 2023, the Company did not have additional leases that had not yet commenced

NOTE 13 OTHER CURRENT LIABILITIES

	At December 31,	
(in thousands)	2023	2022
Accrued capital expenditures	$ 32,835	$ 19,908
Reclamation liabilities	30,370	31,107
Accrued operating costs	18,776	16,844
Other	728	748
	$ 82,709	$ 68,607

NOTE 14 COMMITMENTS AND CONTINGENCIES

General

Estimated losses from contingencies are accrued by a charge to income when information available prior to issuance of the combined financial statements indicates that it is probable that a liability could be incurred, and the amount of the loss can be reasonably estimated. Legal expenses associated with the contingency are expensed as incurred. If a loss contingency is not probable or reasonably estimable, disclosure of the contingency and estimated range of loss, if determinable, is made in the combined financial statements when it is at least reasonably possible that a material loss could be incurred.

Environmental Matters

Refer to Note 6 for further information regarding reclamation. Details about certain significant matters are discussed below.

The Porcupine complex is comprised of active open pit and underground mining operations as well as inactive, legacy sites from its extensive history of mining gold in and around the city of Timmins, Ontario since the early 1900s. As a result of these primarily historic mining activities, there are mine hazards in the area that could require some form of reclamation. The Company is conducting studies to better catalog, prioritize and update its existing information of these historical mine hazards, to inform its closure plans and estimated closure costs. Based on work performed during 2023, of the total $99.8 million reclamation adjustment, $46.3 million was recorded for the year ended December 31, 2023 relating to the hazard studies, however, on-going studies will extend beyond the current year and could result in future material increases to the Company's reclamation obligation.

Other Commitments and Contingencies

As part of its ongoing business and operations, the Company is required to provide surety bonds and bank letters of credit as financial support for various purposes, including environmental reclamation, exploration permitting, and other general corporate purposes. At December 31, 2023, there were $180.7 million of outstanding letters of credit and surety bonds. The obligations associated with these instruments are generally related to performance requirements that the Company addresses through its ongoing operations. As the specific requirements are met, the beneficiary of the associated instrument cancels and/or returns the instrument to the issuing entity. Certain of these instruments are associated with operating sites with long-lived assets and will remain outstanding until closure. Generally, bonding requirements associated with environmental regulation are becoming more restrictive. However, the Company believes it is in compliance with all applicable bonding obligations and will be able to satisfy future bonding requirements through existing or alternative means, as they arise.

The Company is from time to time involved in various legal proceedings related to its business. Except in the above described proceedings, management does not believe that adverse decisions in any pending or threatened proceeding or that amounts that may be required to be paid by reason thereof will have a material adverse effect on the Company's financial condition or results of operations.

NOTE 15 SUBSEQUENT EVENTS

These combined financial statements reflect management's evaluation of subsequent events, through September 30, 2024, the date the financial statements were available to be issued.

APPENDIX "B"
MANAGEMENT'S DISCUSSION AND ANALYSIS

See attached.

PORCUPINE GOLD MINE

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the nine months ended September 30, 2024, and 2023

Dated February 24, 2025

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

This Management's Discussion and Analysis ("**MD&A**") should be read in conjunction with the unaudited condensed combined financial statements, and their related notes (the "**Combined Financial Statements**"), of Porcupine Gold Mine ("**Porcupine**" or the "**Company**"), as at and for the nine months ended September 30, 2024 and September 30, 2023 which are prepared in accordance with accounting principles generally accepted in the United States ("**US GAAP**"). The information provided herein supplements, but does not form part of, the Combined Financial Statements and includes select financial and operational information. For the periods included in this MD&A, Porcupine, as defined above, was a 100% owned subsidiary of Newmont Corporation ("**Newmont**" or the "**Parent**")

This document contains forward-looking statements and forward-looking information. Refer to the cautionary language under the section entitled "*Cautionary Statement on Forward-Looking Statements*" in this MD&A. All dollar ("**$"**) amounts are expressed in United States dollars ("**USD**"), the Company's reporting currency, except where otherwise noted. All information contained in this MD&A is current and has been reviewed by management as of February 24, 2025, unless otherwise stated.

DESCRIPTION OF BUSINESS

Porcupine consists of the Hollinger open pit and Hoyle Pond underground operations, located in the city of Timmins, Ontario, as well as the Borden underground operation, located near the town of Chapleau, Ontario. The Porcupine operation is comprised of 699 mining claims, 1,105 mining patents and 157 mining leases, issued under the Ontario Mining Act, encompassing an area of 98,138 acres (39,715 hectares). The Borden operation is comprised of 488 mining cell claims, 530 surface and mining patents and 35 surface and mining leases encompassing an area of 245,232 acres (99,241 hectares). Process facilities, located in the city of Timmins, include a conventional mill, which consists of a crushing and grinding circuit, carbon-in-pulp and carbon-in-leach plants, Knelson concentrators, Acacia reactor, elution circuits and an electrowinning plant where the gold is recovered and smelted to produce doré - an unrefined amalgam of gold and silver.

RECENT DEVELOPMENTS

On January 27, 2025, it was announced that Discovery Silver Corp. ("**Discovery**") had entered into a definitive agreement (the "**Share Purchase Agreement**") to indirectly acquire all of Newmont's interest in Porcupine (the "**Transaction**"). Discovery is a publicly listed company, and its common shares are listed on the Toronto Stock Exchange under the symbol "**DSV**".

The consideration payable to Newmont for the Transaction consists of $200 million in cash and $75 million payable through the issuance of approximately 119.7 million common shares of Discovery, both of which are payable upon closing of the Transaction, and $150 million of deferred consideration to be paid in four annual cash payments of $37.5 million commencing on December 31, 2027. Pursuant to the requirements of the Toronto Stock Exchange, a Special Meeting of shareholders of Discovery will be held on March 27, 2025. If shareholders of Discovery do not approve the issuance of the 119.7 million shares, Discovery will issue approximately 94.5 million common shares to Newmont, and the first deferred cash payment will be increased to approximately $53.3 million.

Prior to the closing of the Transaction, Porcupine will be transferred into a newly formed corporation, Dome Mine Ltd. pursuant to an asset purchase agreement. On closing of the Transaction, all of the issued and outstanding common shares of Dome Mine Ltd. will be sold to Discovery pursuant to a share purchase agreement between Discovery and Dome's parent company, Goldcorp Canada Ltd. The Transaction is expected to close during the first half of 2025.

SUMMARIZED OPERATIONAL RESULTS

In thousands, unless otherwise stated				Nine Months Ended September 30,
		2024		2023
Total tonnes mined				
Ore (Underground)		**648**		625
Ore (Open Pit)		**482**		2,161
Waste (Open Pit)		**663**		3,692
Total tonnes processed		**2,183**		2,176
Average grade open pit ore mined (g/t)		**1.72**		1.45
Average grade underground ore mined (g/t)		**8.05**		6.60
Average grade ore processed (g/t)		**3.32**		2.94
Gold ounces				
Produced		**219**		190
Sold		**219**		189
Average realized price ($ per ounce sold)	**$**	**2,304**	$	1,934

Total tonnes of ore mined in the first nine months of 2024 declined 48% from the same period a year earlier reflecting significantly lower production volumes from the Hollinger open pit, which more than offset a 4% increase in tonnes mined from underground operations at Hoyle Pond and Borden. Tonnes processed were largely unchanged at 2.2 million tonnes. Production totaled 219,000 ounces, an increase of 15% from the first nine months of 2023 mainly reflecting the favourable impact of a higher average grade, due mainly to a greater proportion of tonnes processed from underground mining operations. Total ounces sold also increased 15%, to 218,000 ounces. The favourable impact of a higher average grade on gold sales contributed to lower unit costs.

SUMMARIZED FINANCIAL RESULTS

In thousands of dollars				Nine Months Ended September 30,
		2024		2023
Sales	**$**	**503,451**	$	366,028
Costs applicable to sales	**$**	**235,932**	$	219,350
Impairment charges	**$**	**9**	$	2,020
Net Income (loss)	**$**	**87,451**	$	(19,479)
Total assets	**$**	**1,515,482**	$	1,426,385
Total liabilities	**$**	**824,500**	$	500,279
Net parent investment	**$**	**690,709**	$	926,106

Nine Months 2024 compared to 2023

Sales

Revenue from the sale of gold doré in the first nine months of 2024 totaled $503,451, an increase of 37% from the same period in 2023 reflecting the impact of a 20% increase in the average realized price and growth of 15% in gold sales. The average realized gold price of $2,316 per ounce compared to an average realized price of $1,930 per ounce for the first nine months of 2023.

Costs applicable to sales ("CAS")

CAS of $235,932 million in the first nine months of 2024 compared to $219,350 for the same period a year earlier, with the increase largely reflecting higher sales volumes and increased labour costs.

Impairment

The Company reviews and evaluates its long-lived assets for impairment when events or changes in circumstances indicate that the related carrying amounts may not be recoverable. If the expected future undiscounted cash flows from the use and eventual disposition of the asset or asset group are less than the carrying amount of the assets, an impairment loss is recognized. The Company measures impairment by comparing the total fair value of the existing operations to the carrying value of the corresponding assets. Other assets are physically inspected on a periodic basis and where damage or other items are noted that negatively impact their use, they are disposed of or written-off entirely. The Company recognized impairments of $9 for the first nine months of 2024 and $2,020 for the same period a year earlier.

Net Income

The Company had net income of $87,451 in the first nine months of 2024 compared to a net loss of $19,479 for the first nine months of 2023, with the improvement mainly reflecting the 37% increase in revenue and the favourable impact of lower unit operating costs.

CASH FLOW

Net cash provided by operating activities of $239,491 for the first nine months of 2024 more than doubled from net cash provided by operating activities of $109,986 for the first nine months of 2023. The increase was driven by improved earnings performance.

Net cash used in investing activities totaled $178,463 for the first nine months of 2024, compared to net cash used in investing activities of $103,822 for the same period a year earlier, with the increase in cash used largely related to capital expenditures for the development of the Pamour open-pit project.

Net cash used in financing activities of $61,028 during the nine months of 2024 compared to net cash used in financing activities of $5,254 for same period in 2023. The increase resulted from higher net transfers from Porcupine to the Parent.

CAPITAL MANAGEMENT AND LIQUIDITY

Newmont utilizes a centralized approach to cash management and financing of its operations. These arrangements may not be reflective of the way Porcupine would have financed its operations had it been a separate, standalone entity during the periods presented. The centralized cash management arrangements are excluded from the asset and liability balances in Porcupine's combined balance sheets. These amounts have instead been included in Net Parent investment as a component of equity. Newmont's third-party debt and related interest expense have not been attributed to Porcupine because the Company is not the legal obligor of the debt, and the borrowings are not specifically identifiable to Porcupine's operations.

Transactions between Porcupine and the Parent are reflected as Net Parent investment in the combined balance sheets and as financing activities in the combined statements of cash flows.

As at September 30, 2024, the Company had a working capital deficit (defined as current assets less current liabilities) of $29,937 (December 31, 2023 – $37,474).

SHARE CAPITAL

The Company is currently an operating segment of Newmont and is not a standalone legal entity. As such, it does not have any publicly-traded share capital, rather an equity investment in the Company shown in the net parent investment in the combined balance sheet.

OUTSTANDING SHARE DATA

The Company is not a publicly listed entity and therefore does not have any outstanding share data to report.

RELATED PARTY TRANSACTIONS

Historically, Porcupine has been managed and operated in the normal course of business with other affiliates of Newmont. Accordingly, certain shared costs have been allocated to Porcupine and reflected as expenses in the condensed combined financial statements.

The condensed combined financial statements include corporate costs incurred by Newmont for services that are provided to or on behalf of Porcupine. The corporate costs include allocations of costs incurred associated with executive management, finance, legal, information technology, human resources and other shared services. These costs have been allocated to Porcupine based primarily on its production of gold equivalent ounces.

Newmont management and Porcupine believe the allocation methodology is reasonable and appropriately represents Newmont's historical expenses that were attributable to Porcupine. However, the expenses reflected in the condensed combined financial statements may not be indicative of the actual expenses that would have been incurred during the periods presented had Porcupine historically operated as a separate, standalone entity. In addition, the expenses reflected in the condensed combined financial statements may not be indicative of expenses that Porcupine will incur in the future.

The allocated costs in the combined statements of operations were as follows (in thousands):

(Expressed in United States dollars, except where otherwise noted)

	Nine Months Ended	
	September 30,	
	2024	2023
Costs applicable to sales	**$ 12,724**	$ 9,208
General and Administrative	**$ 11,561**	$ 8,805
Advanced projects, research and development	**$ 2,534**	$ 2,346
	$ 26,819	$ 20,359

Shared Facilities

Porcupine shares office space and other non-operational related facilities with Newmont and other Newmont operations where Porcupine is not the primary or exclusive user of the assets. At these shared facilities, the assets have been excluded from the condensed combined balance sheets. However, the Company has been charged a cost for its usage of these shared assets. The amount charged to General and Administrative in the condensed combined statements of operations was $1.0 million and $0.8 million for the nine months ended September 30, 2024 and 2023, respectively.

FINANCIAL INSTRUMENTS AND FINANCIAL RISK FACTORS

The Company's financial instruments consist of cash, accounts receivable and deposits, and accounts payable and accrued liabilities.

Accounts receivable and deposits are classified as receivables and are measured at amortized cost using the effective interest method. Accounts payable and accrued liabilities are classified as other financial liabilities and are measured at amortized cost. These financial instruments approximate their fair value due to their short-term nature.

The fair value estimates are made at a specific point in time, based on relevant market information and information about the financial instrument. These estimates are subjective in nature and involve uncertainties and matters of significant judgment and, therefore, cannot be determined with precision. Changes in assumptions could significantly affect the estimates.

Financial instruments are classified into one of three levels in the fair value hierarchy according to the degree to which the inputs used in the fair value measurement are observable.

Level 1 Unadjusted quoted prices in active markets for identical assets or liabilities;
Level 2 Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
Level 3 Inputs that are not based on observable market data.

At September 30, 2024, the Company had no financial instruments classified as Level 2 or 3.

Financial Risk Factors

The Company is exposed to financial risks, including credit risk, liquidity risk, currency risk, interest rate risk and price risk. The aim of the Company's overall risk management strategy is to reduce the potential adverse effect that these risks may have on the Company's financial position and results. The Company's Board of Directors has overall responsibility and oversight of management's risk management practices. Risk management is carried out by the Board through the Nominating and Corporate Governance Committee with the policies being recommended for approval by the Board of Directors at least annually or when changes are required.

a) Liquidity risk

Market liquidity risk is the risk that a derivative cannot be eliminated quickly, by either liquidating it or by establishing an offsetting position. Under the terms of existing trading agreements, counterparties cannot require the Company to immediately settle outstanding derivatives, except upon the occurrence of customary events of default such as covenant breaches, including financial covenants, insolvency or bankruptcy. The Company further mitigates market liquidity risk by spreading out the maturity of derivative contracts over time.

b) Credit risk

Credit risk is the risk that a third party might fail to fulfill its performance obligations under the terms of a financial instrument.

The Company mitigates credit risk by entering into derivatives with high credit quality counterparties, limiting the amount of exposure to each counterparty and monitoring the financial condition of the counterparties.

c) Market Risks

Market risk is the risk of loss that may arise from changes in market factors such as metal prices, interest rates, foreign exchange rates, and equity prices.

i. Metal Prices

Changes in the market price of gold significantly affect the Company's profitability and cash flow. Gold prices can fluctuate widely due to numerous factors, such as demand; forward selling by producers; central bank sales, purchases and lending; investor sentiment; the strength of the USD; inflation, deflation, or other general price instability; and global mine production levels. The Company does not currently hold instruments that are designated to hedge against the potential impacts due to market price changes in metals. Consideration of these impacts are discussed below.

Decreases in the market price of metals can significantly affect the value of product inventory, stockpiles and leach pads, and it may be necessary to record a write-down to the net realizable value, as well as significantly impact the carrying value of long-lived assets and goodwill. For information concerning the sensitivity of the Company's impairment analysis over long-lived assets and goodwill to changes in metal price, refer to the "*Summarized Financial Results*" in this MD&A, and notes 3,7,10 and 11 to the Combined Financial Statements for the years ended 2023 and 2022.

Net realizable value represents the estimated future sales price based on short-term and long-term metals prices, less estimated costs to complete production and bring the product to sale. The primary factors that influence the need to record write- downs of the Company's stockpiles, leach pads and product inventory include short-term and long-term metals prices and costs for production inputs such as labor, fuel and energy, materials and supplies as well as realized ore grades and recovery rates. The significant assumptions in determining the stockpile, leach pad and product inventory adjustments at September 30, 2024 and 2023 included Porcupine's production cost and capitalized expenditure assumptions, and the following short-term and long-term assumptions:

(Expressed in United States dollars, except where otherwise noted)

	Short-term		Long-term	
	2024	2023	**2024**	2023
Gold price (per ounce)	**$ 2,474**	$ 1,928	**$ 1,700**	$ 1,600
CAD to USD exchange rate	**$ 0.73**	$ 0.75	**$ 0.75**	$ 0.78

The net realizable value measurement involves the use of estimates and assumptions regarding current and future operating and capital costs, metal recoveries, production levels, commodity prices, proven and probable reserve quantities, engineering data and other factors. A high degree of judgment is involved in determining such assumptions and estimates and no assurance can be given that actual results will not differ significantly from those estimates and assumptions. For information concerning the sensitivity of the Company's stockpiles and ore on leach pads to changes in metal price, refer to *Critical Accounting Estimates* in the combined financial statements for the years ended 2023 and 2022.

ii. Interest rate risk

The Company does not have significant exposure to interest rate risk.

iii. Foreign currency risk

The Company sells its gold, production based on USD metal prices. Foreign currency exchange rates can fluctuate widely due to numerous factors, such as supply and demand for foreign and U.S. currencies and U.S. and foreign country economic conditions. Fluctuations in the local currency exchange rates in relation to the U.S. dollar can increase or decrease profit margins, cash flow and costs applicable to sales to the extent costs are paid in local currency ("**$CAD**").

iv. Price Risk

The Company is exposed to price risk with respect to commodity prices and prices of equity securities. Equity security price risk is defined as the potential adverse impact on the Company's net income or loss due to movements in individual prices of equity securities or price movements in the stock market generally. Commodity price risk is defined as the potential adverse impact on net income or loss and economic value due to commodity price movement and volatility. The Company closely monitors commodity prices, particularly as they relate to base and precious metals, and movements in the price of individual equity securities, and movements in the stock market generally, to assist in determining the appropriate course of action to be taken by the Company.

OTHER RISKS AND UNCERTAINTIES

As a mining operation, the Company's revenue, profitability and future rate of growth are substantially dependent on prevailing gold prices. Historically, the commodity markets have been very volatile, and there can be no assurance that gold prices will not be subject to wide fluctuations in the future. A substantial or extended decline in the price of gold could have a material adverse effect on the Company's financial position, results of operations, cash flows, access to capital and on the quantities of reserves that the Company can economically produce. The carrying value of the Company’s Property, plant and mine development, net; Inventories; Stockpiles; and Deferred income tax assets are particularly sensitive to the outlook for gold prices. A decline in the Company's price outlook from current levels could result in material impairment charges related to these assets.

The Company is exposed to risks associated with public health crises, including epidemics and pandemics such as COVID-19, and geopolitical and macroeconomic pressures. The Company continues to experience the impacts from recent geopolitical and macroeconomic pressures. With the resulting volatile environment, the Company continues to monitor inflationary conditions, the effects of certain countermeasures taken by central banks, and the potential for further supply chain disruptions as well as an uncertain and evolving labor market. The following factors could have further potential short- and, possibly, long-term material adverse impacts on the Company including, but not limited to, volatility in commodity prices and the price of gold, changes in the equity and debt markets or country specific factors adversely impacting discount rates, significant cost inflation impacts on production, capital and asset retirement costs, logistical challenges, workforce interruptions and financial market disruptions, energy market disruptions, as well as potential impacts to estimated costs and timing of projects.

In light of these challenging conditions, the Company recorded a goodwill impairment charge of $340.8 million as at December 31, 2022, which represented the full goodwill balance prior to impairment.

COMMITMENTS AND CONTRACTUAL OBLIGATIONS

a) General

Estimated losses from contingencies are accrued by a charge to income when information available prior to issuance of the combined financial statements indicates that it is probable that a liability could be incurred, and the amount of the loss can be reasonably estimated. Legal expenses associated with the contingency are expensed as incurred. If a loss contingency is not probable or reasonably estimable, disclosure of the contingency and estimated range of loss, if determinable, is made in the combined financial statements when it is at least reasonably possible that a material loss could be incurred.

b) Environmental Matters

The Porcupine complex is comprised of active open pit and underground mining operations as well as inactive, legacy sites from its extensive history of mining gold in and around the city of Timmins, Ontario since the early 1900s. As a result of these primarily historic mining activities, there are mine hazards in the area that could require some form of reclamation. The Company is conducting studies to better catalog, prioritize, and update its existing information of these historical mine hazards, to inform its closure plans and estimated closure costs.

Based on work performed during 2023, a $46.3 million reclamation adjustment was recorded at December 31, 2023, however, on-going studies will extend beyond the current year and could result in future material increases to the reclamation obligation at Porcupine.

c) Other Commitments and Contingencies

On November 20, 2024, Taykwa Tagamou Nation ("TTN") filed a Statement of Claim against the Ontario government and Newmont, alleging that the resumption of open pit mining at the Pamour mine in Timmins, Ontario, Canada would be without proper consultation or consideration of the cumulative impacts on TTN's traditional territory and Aboriginal rights, and as such, the associated environmental permits previously issued by the Ontario government with respect to Pamour ought to be revoked. TTN is seeking, amongst other things: (i) a stay of all activities authorized under the permits until the case is resolved, (ii) a declaration that Ontario breached its duty to consult and violated Treaty No. 9, and section 35 of the Constitution Act (Canada) 1982, and (iii) general and aggravated damages. Newmont remains steadfast in its commitment to foster meaningful and productive relationships with First Nation communities in Canada, and had undertaken appropriate consultations with various community stakeholders, including TTN and other First Nation groups in the Timmins area – as such, the permits were properly issued by the government. Newmont intends to vigorously defend this matter, but cannot reasonably predict the outcome.

As part of its ongoing business and operations, the Company is required to provide surety bonds and bank letters of credit as financial support for various purposes, including environmental reclamation, exploration permitting, and other general corporate purposes. At September 30, 2024, there were $177.1 million of outstanding letters of credit and surety bonds. The obligations associated with these instruments are generally related to performance requirements that the Company addresses through its ongoing operations. As the specific requirements are met, the beneficiary of the associated instrument cancels and/or returns the instrument to the issuing entity. Certain of these instruments are associated with operating sites with long-lived assets and will remain outstanding until closure. Generally, bonding requirements associated with environmental regulation are becoming more restrictive. However, the Company believes it is in compliance with all applicable bonding obligations and will be able to satisfy future bonding requirements through existing or alternative means, as they arise.

The Company is from time to time involved in various legal proceedings related to its business. Except in the matters described above, management does not believe that adverse decisions in any pending or threatened proceeding or that amounts that may be required to be paid by reason thereof will have a material adverse effect on the Company's financial condition or results of operations.

SIGNIFICANT ACCOUNTING POLICIES

For a full description of the Company's significant accounting policies, please see note 3 of the combined financial statements for the years ended December 31, 2023 and 2022.

CHANGES IN ACCOUNTING POLICIES

a) Recently Issued Accounting Pronouncements

i. Pillar II

In 2024, Pillar II is set to take effect. The Pillar II agreement was signed by 138 countries with the intent to equalize corporate tax around the world by implementing a global minimum tax of 15%. As the Company primarily does business in jurisdictions with a tax rate greater than 15%, the Company does not anticipate a material impact to the combined financial statements.

ii. Improvement to Income Tax Disclosures

In December 2023, ASU 2023-09 was issued which requires disaggregated information about the effective tax rate reconciliation and additional information on taxes paid that meet a qualitative threshold. The new guidance is effective for annual reporting periods beginning after December 15, 2024, with early adoption permitted. The Company is currently evaluating the impacts of the guidance on its combined financial statements.

CRITICAL ACCOUNTING ESTIMATES

The preparation of the combined financial statements requires the Company to make estimates and assumptions that affect the reported amounts of assets and liabilities and the related disclosure of contingent assets and liabilities at the date of the combined financial statements and the reported amounts of revenues and expenses, including allocations from Newmont, during the periods presented. The Company must make these estimates and assumptions because certain information used is dependent on future events, cannot be calculated with a high degree of precision from data available or simply cannot be readily calculated based on generally accepted methodologies. Actual results could differ from these estimates.

The more significant areas requiring the use of estimates and assumptions relate to mineral reserves that are the basis for future cash flow estimates utilized in impairment calculations and units-of-production amortization calculations; environmental remediation, reclamation and closure obligations; estimates of recoverable gold in stockpile inventories; estimates of fair value for asset impairments; write-downs of inventory, stockpiles to net realizable value; post-employment, post-retirement and other employee benefit liabilities; valuation allowances for deferred tax assets; provisional amounts related to income tax effects of newly enacted tax laws; provisional amounts related to uncertain tax positions; and reserves for contingencies and litigation. The Company bases its estimates on historical experience and on various other assumptions that are believed to be reasonable under the circumstances.

Accordingly, actual results may differ from the amounts estimated in these combined financial statements.

A detailed review of the significant areas requiring the use of estimates and assumption is provided in note 3 of the combined financial statements for the years ended December 31, 2023 and 2022.

OFF-BALANCE SHEET ARRANGEMENTS

The Company has off-balance sheet arrangements of $180.7 of outstanding surety bonds, bank letters of credit and bank guarantees. Refer to the "*Commitments and Contractual Obligations"* section of this MD&A for additional details.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION

Except for statements of historical fact, information contained, or incorporated by reference, herein constitutes "forward-looking information" and "forward-looking statements" within the meaning of applicable securities laws. Forward-looking information is often, but not always, identified by the use of words such as "seek", "anticipate", "plan", "continue", "planned", "expect", "project", "predict", "potential", "targeting", "intends", "believe", and similar expressions, or describes a "goal", or variation of such words and phrases or states that certain actions, events or results "may", "should", "could", "would", "might" or "will" be taken, occur or be achieved. Statements relating to mineral resources are deemed to be forward-looking statements, as they involve the implied assessment, based on certain estimates and assumptions, that the mineral resources described exist in the quantities predicted or estimated or that it will be commercially viable to produce any portion of such resources. Forward-looking statements in this MD&A include, but may not be limited to, statements and expectations regarding the completion of the Transaction and the timing therefor, outlooks for Porcupine pertaining to production rates, mining and processing rates, total costs, CAS, AISC, capital spending, cash flow, operational performance, mine life, and value of operations, as well as other statements and information as to strategy, plans or future financial and operating performance, such as project timelines, production plans, expected sustainable impact improvements, expected exploration programs, costs and budgets, forecasted cash shortfalls and the ability to fund them and other statements that express management's expectations or estimates of future plans and performance. Forward-looking statements and forward-looking information are not guarantees of future performance and are based upon a number of estimates and assumptions of management at the date the statements are made, including among other things: the future prices of gold; the price of other commodities such as coal, fuel and electricity; currency exchange rates and interest rates; favourable operating conditions; political stability; timely receipt of governmental approvals, licenses, and permits (and renewals thereof); access to necessary financing; stability of labour markets and in market conditions in general; availability of equipment; the accuracy of mineral resource and reserve estimates, and of any metallurgical testing completed to date; estimates of costs and expenditures to complete programs and goals; the speculative nature of mineral exploration and development in general; there being no significant disruptions affecting the development and operation of the mine; and assumptions made in mineral resource estimates, including, but not limited to, geological interpretation, grades, metal price assumptions, metallurgical and mining recovery rates, geotechnical and hydrogeological assumptions, capital and operating cost estimates, and general marketing, political, business and economic conditions. Many of these assumptions are inherently subject to significant business, social, economic, political, regulatory, competitive and other risks and uncertainties, contingencies, and other factors that are not within the control of Porcupine and could thus cause actual performance, achievements, actions, events, results or conditions to be materially different from those projected in the forward-looking statements and forward-looking information.

Although the Company has attempted to identify important factors that could cause actual performance, achievements, actions, events, results, or conditions to differ materially from those described in forward-looking statements or forward-looking information, there may be other factors that cause performance, achievements, actions, events, results, or conditions to differ from those anticipated, estimated, or intended.

Forward-looking statements and forward-looking information contained herein are made as of the date of this MD&A and the Company disclaims any obligation to update or revise any forward-looking statements or forward-looking information, whether as a result of new information, future events, or results or otherwise, except as required by applicable law. There can be no assurance that forward-looking statements or forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements or forward-looking information. All forward-looking statements and forward-looking information attributable to the Company is expressly qualified by these cautionary statements.

PORCUPINE GOLD MINE

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the years ended December 31, 2023, and 2022

Dated February 24, 2025

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

This Management's Discussion and Analysis ("**MD&A**") should be read in conjunction with the audited combined financial statements, and their related notes (the "**Combined Financial statements**"), of Porcupine Gold Mine ("**Porcupine**" or the "**Company**"), as at and for the years ended December 31, 2023 and December 31, 2022 which are prepared in accordance with accounting principles generally accepted in the United States ("**US GAAP**"). The information provided herein supplements, but does not form part of, the Combined Financial Statements and includes select financial and operational information. For the periods included in this MD&A, Porcupine, as defined above, was a 100% owned subsidiary of Newmont Corporation ("**Newmont**" or the "**Parent**")

This document contains forward-looking statements and forward-looking information. Refer to the cautionary language under the section entitled "*Cautionary Statement on Forward-Looking Statements*" in this MD&A. All dollar ("**$"**) amounts are expressed in United States dollars ("**USD**"), the Company's reporting currency, except where otherwise noted. All information contained in this MD&A is current and has been reviewed by management as of February 24, 2025, unless otherwise stated.

DESCRIPTION OF BUSINESS

Porcupine consists of the Hollinger open pit and Hoyle Pond underground operations, located in the city of Timmins, Ontario, as well as the Borden underground operation, located near the town of Chapleau, Ontario. The Porcupine operation is comprised of 699 mining claims, 1,105 mining patents and 157 mining leases, issued under the Ontario Mining Act, encompassing an area of 98,138 acres (39,715 hectares). The Borden operation is comprised of 488 mining cell claims, 530 surface and mining patents and 35 surface and mining leases encompassing an area of 245,232 acres (99,241 hectares). Process facilities, located in the city of Timmins, include a conventional mill, which consists of a crushing and grinding circuit, carbon-in-pulp and carbon-in-leach plants, Knelson concentrators, Acacia reactor, elution circuits and an electrowinning plant where the gold is recovered and smelted to produce doré - an unrefined amalgam of gold and silver.

RECENT DEVELOPMENTS

On January 27, 2025 it was announced that Discovery Silver Corp. ("**Discovery**") had entered into a definitive agreement (the "**Share Purchase Agreement**") to indirectly acquire all of Newmont's interest in Porcupine (the "**Transaction**"). Discovery is a publicly listed company, and its common shares are listed on the Toronto Stock Exchange under the symbol "**DSV**".

The consideration payable to Newmont for the Transaction consists of $200 million in cash and $75 million payable through the issuance of approximately 119.7 million common shares of Discovery, both of which are payable upon closing of the Transaction, and $150 million of deferred consideration to be paid in four annual cash payments of $37.5 million commencing on December 31, 2027. Pursuant to the requirements of the Toronto Stock Exchange, a Special Meeting of shareholders of Discovery will be held on March 27, 2025. If shareholders of Discovery do not approve the issuance of the 119.7 million shares, Discovery will issue approximately 94.5 million common shares to Newmont, and the first deferred cash payment will be increased to approximately $53.3 million.

Prior to the closing of the Transaction, Porcupine will be transferred into a newly formed corporation, Dome Mine Ltd. pursuant to an asset purchase agreement. On closing of the Transaction, all of the issued and outstanding common shares of Dome Mine Ltd. will be sold to Discovery pursuant to a hare purchase agreement between Discovery and Dome's parent company, Goldcorp Canada Ltd. The Transaction is expected to close during the first half of 2025.

SUMMARIZED OPERATIONAL RESULTS

In thousands, unless otherwise stated				**Year Ended December 31,**
		2023		2022
Total tonnes mined				
Ore (Underground)		**859**		751
Ore (Open Pit)		**2,669**		3,320
Waste (Open Pit)		**4,303**		4,546
Total tonnes processed		**2,911**		3,410
Average grade open pit ore mined (g/t)		**1.48**		1.63
Average grade underground ore mined (g/t)		**6.65**		6.91
Average grade ore processed (g/t)		**3.02**		2.79
Gold ounces				
Produced		**260**		280
Sold		**258**		280
Average realized price ($ per ounce sold)	**$**	**1,948**	$	1,797

Total tonnes of ore mined in 2023 declined 13% from the same period a year earlier reflecting lower production volumes from the Hollinger open pit, which more than offset the favourable impact of 14% increase in tonnes mined from underground operations at Hoyle Pond and Borden. Tonnes processed were 21% lower compared to 2022 mainly due to reduced tonnes from mine production. Production in 2023 totaled 260,000 ounces compared to 280,000 ounces the previous year as the impact of lower throughput levels and a reduction in the average recovery rate, to 91.4% from 92.7% in 2022, more than offset the benefit of an 8% improvement in the average grade largely due to an increased proportion of mill feed from underground mine production. Total ounces sold totaled 258,000 ounces versus 280,000 ounces in 2022.

SUMMARIZED FINANCIAL RESULTS

In thousands of dollars				**Years Ended December 31,**
		2023		2022
Sales	**$**	**502,776**	$	503,788
Costs applicable to sales	**$**	**302,272**	$	283,200
Impairment charges	**$**	**4,800**	$	340,821
Net loss	**$**	**(52,631)**	$	(327,283)
Total assets	**$**	**1,472,142**	$	1,396,492
Total liabilities	**$**	**807,616**	$	703,096
Net parent investment	**$**	**664,286**	$	691,122

<u>2023 compared to 2022</u>

Sales

Revenue from the sale of gold doré of $502,776 in 2023 was largely unchanged from the previous year as a 9% increase in the average realized gold price, to $1,954 per ounce, offset the impact of an 8% reduction in gold sales.

Costs applicable to sales ("CAS")

CAS of $302,272 million in 2023 compared to $283,200 in 2022 with the increase largely due to higher contracted services and materials costs as a result of unplanned mill maintenance.

Impairment

The estimated cash flows utilized in both the long-lived asset and goodwill impairment evaluations are derived from the Company's current business plans. The Company completed its annual business plan update which reflected updated mine plans, certain adverse changes in market conditions, including inflationary pressures to costs and capital, strategic evaluation regarding the use of capital, and updates to asset retirement costs.

a) Goodwill

The Company evaluates its goodwill for impairment annually at December 31 or when events or changes in circumstances indicate that the fair value of a reporting unit is less than its carrying value. Based on the December 31, 2023 review, the Company concluded that there was no goodwill impairment.

Based on the December 31, 2022 review, the Company concluded that goodwill was impaired due to a deterioration in underlying cash flows from higher costs due to inflationary pressures and higher capital costs related to safety enhancements and the expansion of the active tailings storage facility, ensuring compliance with Global Industry Standard on Tailings Management, as well as an increase to the asset retirement cost. As a result, a non-cash impairment charge of $340.8 million was recognized, which represented the full goodwill balance prior to impairment. Porcupine's long-lived assets were evaluated for impairment prior to the quantitative goodwill test and no impairment was identified.

The Company measured the impairment by comparing the total fair value of the existing operations to the corresponding reporting unit carrying value. The estimated fair value was determined using the income approach and is considered a non-recurring level 3 fair value measurement. Significant inputs to the fair value measured included (i) updated cash flow information from the Company's current business and closure plans, (ii) a short-term gold price of $1,750, (iii) a long-term gold price of $1,600, (iv) current estimates of reserves, resources, and exploration potential and (v) a reporting unit discount rate of 4.50%. The selected discount rate incorporates an additional premium related to operational risk at the Company.

b) Impairment of long-lived and other assets

The Company reviews and evaluates its long-lived assets for impairment when events or changes in circumstances indicate that the related carrying amounts may not be recoverable. If the expected future undiscounted cash flows from the use and eventual disposition of the asset or asset group are less than the carrying amount of the assets, an impairment loss is recognized. The Company measures impairment by comparing the total fair value of the existing operations to the carrying value of the corresponding assets. The Company recognized a long-lived asset impairment of $4.8 million during the year ended December 31, 2023. The Company had no long-lived asset impairments during the year ended December 31, 2022.

Net Loss

The Company had a net loss of $52,631 for the full year of 2023, compared to a net loss of $327,283 for the same period in 2022. The net loss during 2022 is comprised primarily of a non-cash impairment charge of $340,821 related to the write-down of 100% of the goodwill balance. Excluding the impact of non-cash impairment charges in both periods, pre-tax net loss in 2023 increased $52,607 from the previous year, mainly due to higher CAS and the impact of lower sales volumes.

CASH FLOW

Net cash provided by operating activities in 2023 totaled $124,590 compared to net cash provided by operating activities of $176,514 for 2022. The year-over-year reduction mainly reflected the impact of higher operating costs and lower sales volumes, as well as an increase in cash used for working capital purposes.

Net cash used in investing activities of $149,441 for 2023 compared to net cash used in investing activities of $146,146 during 2022. Net cash used in investing activities in both 2023 and 2022 related entirely to additions to property, plant and mine development.

Net cash provided by financing activities of $24,851 during 2023 compared to net cash used in financing activities of $30,368 during 2022. The net cash inflow during 2023 was primarily the result of net transfers from the Parent, while the net cash outflow during 2022 was due primarily to the repayment of funding of $28,270 to the Parent.

CAPITAL MANAGEMENT AND LIQUIDITY

Newmont utilizes a centralized approach to cash management and financing of its operations. These arrangements may not be reflective of the way Porcupine would have financed its operations had it been a separate, standalone entity during the periods presented. The centralized cash management arrangements are excluded from the asset and liability balances in Porcupine's combined balance sheets. These amounts have instead been included in Net Parent investment as a component of equity. Newmont's third-party debt and related interest expense have not been attributed to Porcupine because the Company is not the legal obligor of the debt, and the borrowings are not specifically identifiable to Porcupine's operations.

Transactions between Porcupine and Newmont are reflected as Net Parent investment in the combined balance sheets and as financing activities in the combined statements of cash flows.

At December 31, 2023, the Company had a working capital deficit (defined as current assets less current liabilities) of $37,474 (December 31, 2022 – $46,281).

SHARE CAPITAL

The Company is currently an operating segment of Newmont and is not a standalone legal entity. As such, it does not have any publicly-traded share capital, rather an equity investment in the Company shown in the net parent investment in the combined balance sheet.

OUTSTANDING SHARE DATA

The Company is not a publicly listed entity and therefore does not have any outstanding share data to report.

RELATED PARTY TRANSACTIONS

Historically, Porcupine has been managed and operated in the normal course of business with other affiliates of Newmont. Accordingly, certain shared costs have been allocated to Porcupine and reflected as expenses in the combined financial statements.

The combined financial statements include corporate costs incurred by Newmont for services that are provided to or on behalf of Porcupine. The corporate costs include allocations of costs incurred associated with executive management, finance, legal, information technology, human resources and other shared services. These costs have been allocated to Porcupine based primarily on its production of gold equivalent ounces.

Newmont management and Porcupine believe the allocation methodology is reasonable and appropriately represents Newmont's historical expenses that were attributable to Porcupine. However, the expenses reflected in the combined financial statements may not be indicative of the actual expenses that would have been incurred during the periods presented had Porcupine historically operated as a separate, standalone entity. In addition, the expenses reflected in the combined financial statements may not be indicative of expenses that Porcupine will incur in the future.

The allocated costs in the combined statements of operations were as follows (in thousands):

				Years Ended
				December 31,
		2023		2022
Costs applicable to sales	**$**	**15,668**	$	15,039
General and Administrative	**$**	**11,684**	$	13,050
Advanced projects, research and development	**$**	**3,817**	$	5,434
Exploration	**$**	**455**	$	635
	$	**31,624**	$	34,158

Shared Facilities

Porcupine shares office space and other non-operational related facilities with Newmont and other Newmont operations where Porcupine is not the primary or exclusive user of the assets. At these shared facilities, the assets have been excluded from the combined balance sheets. However, the Company has been charged a cost for its usage of these shared assets. The amount charged to General and administrative in the combined statements of operations was $1.1 million and $1.2 million for the years ended December 31, 2023 and 2022, respectively.

FINANCIAL INSTRUMENTS AND FINANCIAL RISK FACTORS

The Company's financial instruments consist of cash, accounts receivable and deposits, and accounts payable and accrued liabilities.

Accounts receivable and deposits are classified as receivables and are measured at amortized cost using the effective interest method. Accounts payable and accrued liabilities are classified as other financial liabilities and are measured at amortized cost. These financial instruments approximate their fair value due to their short-term nature.

The fair value estimates are made at a specific point in time, based on relevant market information and information about the financial instrument. These estimates are subjective in nature and involve uncertainties and matters of significant judgment and, therefore, cannot be determined with precision. Changes in assumptions could significantly affect the estimates.

Financial instruments are classified into one of three levels in the fair value hierarchy according to the degree to which the inputs used in the fair value measurement are observable.

Level 1	Unadjusted quoted prices in active markets for identical assets or liabilities;
Level 2	Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
Level 3	Inputs that are not based on observable market data.

At December 31, 2023 the Company had no financial instruments classified as Level 2 or 3.

Financial Risk Factors

The Company is exposed to financial risks, including credit risk, liquidity risk, currency risk, interest rate risk and price risk. The aim of the Company's overall risk management strategy is to reduce the potential adverse effect that these risks may have on the Company's financial position and results. The Company's Board of Directors has overall responsibility and oversight of management's risk management practices. Risk management is carried out by the Board through the Nominating and Corporate Governance Committee with the policies being recommended for approval by the Board of Directors at least annually or when changes are required.

a) Liquidity risk

Market liquidity risk is the risk that a derivative cannot be eliminated quickly, by either liquidating it or by establishing an offsetting position. Under the terms of existing trading agreements, counterparties cannot require the Company to immediately settle outstanding derivatives, except upon the occurrence of customary events of default such as covenant breaches, including financial covenants, insolvency or bankruptcy. The Company further mitigates market liquidity risk by spreading out the maturity of derivatives over time.

(Expressed in United States dollars, except where otherwise noted)

b) Credit risk

Credit risk is the risk that a third party might fail to fulfill its performance obligations under the terms of a financial instrument.

The Company mitigates credit risk by entering into derivatives with high credit quality counterparties, limiting the amount of exposure to each counterparty and monitoring the financial condition of the counterparties.

c) Market Risks

Market risk is the risk of loss that may arise from changes in market factors such as metal prices, interest rates, foreign exchange rates, and equity prices.

i. Metal Prices

Changes in the market price of gold significantly affect the Company's profitability and cash flow. Gold prices can fluctuate widely due to numerous factors, such as demand; forward selling by producers; central bank sales, purchases and lending; investor sentiment; the strength of the USD; inflation, deflation, or other general price instability; and global mine production levels. The Company does not currently hold instruments that are designated to hedge against the potential impacts due to market price changes in metals. Consideration of these impacts are discussed below.

Decreases in the market price of metals can significantly affect the value of product inventory, stockpiles and leach pads, and it may be necessary to record a write-down to the net realizable value, as well as significantly impact the carrying value of long-lived assets and goodwill. For information concerning the sensitivity of the Company's impairment analysis over long-lived assets and goodwill to changes in metal price, refer to the *"Summarized Financial Results"* in this MD&A, and notes 3,7, 10 and 11 to the Combined Financial Statements.

Net realizable value represents the estimated future sales price based on short-term and long-term metals prices, less estimated costs to complete production and bring the product to sale. The primary factors that influence the need to record write-downs of the Company's stockpiles, leach pads and product inventory include short-term and long-term metals prices and costs for production inputs such as labor, fuel and energy, materials and supplies as well as realized ore grades and recovery rates. The significant assumptions in determining the stockpile, leach pad and product inventory adjustments at December 31, 2023 and 2022 included Porcupine's production cost and capitalized expenditure assumptions, and the following short-term and long-term assumptions:

	Short-term		**Long-term**	
	2023	2022	**2023**	2022
Gold price (per ounce)	**$** 1,971	$ 1,726	**$ 1,700**	$ 1,600
CAD to USD exchange rate	**$** 0.73	$ 0.74	**$ 0.75**	$ 0.80

The net realizable value measurement involves the use of estimates and assumptions regarding current and future operating and capital costs, metal recoveries, production levels, commodity prices, proven and probable reserve quantities, engineering data and other factors. A high degree of judgment is involved in determining such assumptions and estimates and no assurance can be given that actual results will not differ significantly from those estimates and assumptions. For information concerning the sensitivity of the Company's stockpiles and ore on leach pads to changes in metal price, refer to *Critical Accounting Estimates* in this MD&A.

ii. Interest rate risk

The Company does not have significant exposure to interest rate risk.

iii. Foreign currency risk

The Company sells its gold, production based on USD metal prices. Foreign currency exchange rates can fluctuate widely due to numerous factors, such as supply and demand for foreign and U.S. currencies and U.S. and foreign country economic conditions. Fluctuations in the local currency exchange rates in relation to the U.S. dollar can increase or decrease profit margins, cash flow and costs applicable to sales per ounce/pound to the extent costs are paid in local currency ("**$CAD**").

iv. Price Risk

The Company is exposed to price risk with respect to commodity prices and prices of equity securities. Equity security price risk is defined as the potential adverse impact on the Company's net income or loss due to movements in individual prices of equity securities or price movements in the stock market generally. Commodity price risk is defined as the potential adverse impact on net income or loss and economic value due to commodity price movement and volatility. The Company closely monitors commodity prices, particularly as they relate to base and precious metals, and movements in the price of individual equity securities, and movements in the stock market generally, to assist in determining the appropriate course of action to be taken by the Company.

OTHER RISKS AND UNCERTAINTIES

As a mining operation, the Company's revenue, profitability and future rate of growth are substantially dependent on prevailing gold prices. Historically, the commodity markets have been very volatile, and there can be no assurance that gold prices will not be subject to wide fluctuations in the future. A substantial or extended decline in the price of gold could have a material adverse effect on the Company's financial position, results of operations, cash flows, access to capital and on the quantities of reserves that the Company can economically produce. The carrying value of the Company's Property, plant and mine development, net; Inventories; Stockpiles; and Deferred income tax assets are particularly sensitive to the outlook for gold prices. A decline in the Company's price outlook from current levels could result in material impairment charges related to these assets.

The Company is exposed to risks associated with public health crises, including epidemics and pandemics such as COVID-19, and geopolitical and macroeconomic pressures. The Company continues to experience the impacts from recent geopolitical and macroeconomic pressures. With the resulting volatile environment, the

Company continues to monitor inflationary conditions, the effects of certain countermeasures taken by central banks, and the potential for further supply chain disruptions as well as an uncertain and evolving labor market. The following factors could have further potential short- and, possibly, long-term material adverse impacts on the Company including, but not limited to, volatility in commodity prices and the price of gold, changes in the equity and debt markets or country specific factors adversely impacting discount rates, significant cost inflation impacts on production, capital and asset retirement costs, logistical challenges, workforce interruptions and financial market disruptions, energy market disruptions, as well as potential impacts to estimated costs and timing of projects.

In light of these challenging conditions, the Company recorded goodwill impairment charges of $340.8 million as at December 31, 2022. Refer to Note 7 of the Combined Financial Statements for further information.

COMMITMENTS AND CONTRACTUAL OBLIGATIONS

a) General

Estimated losses from contingencies are accrued by a charge to income when information available prior to issuance of the combined financial statements indicates that it is probable that a liability could be incurred, and the amount of the loss can be reasonably estimated. Legal expenses associated with the contingency are expensed as incurred. If a loss contingency is not probable or reasonably estimable, disclosure of the contingency and estimated range of loss, if determinable, is made in the combined financial statements when it is at least reasonably possible that a material loss could be incurred.

b) Environmental Matters

The Porcupine complex is comprised of active open pit and underground mining operations as well as inactive, legacy sites from its extensive history of mining gold in and around the city of Timmins, Ontario since the early 1900s. As a result of these primarily historic mining activities, there are mine hazards in the area that could require some form of reclamation. The Company is conducting studies to better catalog, prioritize and update its existing information of these historical mine hazards, to inform its closure plans and estimated closure costs.

Based on work performed during 2023, of the total $99.8 million reclamation adjustment, $46.3 million was recorded for the year ended December 31, 2023 relating to the hazard studies, however, on-going studies will extend beyond the current year and could result in future material increases to the Company's reclamation obligation.

c) Other Commitments and Contingencies

On November 20, 2024, Taykwa Tagamou Nation ("TTN") filed a Statement of Claim against the Ontario government and Newmont, alleging that the resumption of open pit mining at the Pamour mine in Timmins, Ontario, Canada would be without proper consultation or consideration of the cumulative impacts on TTN's traditional territory and Aboriginal rights, and as such, the associated environmental permits previously issued by the Ontario government with respect to Pamour ought to be revoked. TTN is seeking, amongst other things: (i) a stay of all activities authorized under the permits until the case is resolved, (ii) a declaration that Ontario breached its duty to consult and violated Treaty No. 9, and section 35 of the Constitution Act (Canada) 1982, and (iii) general and aggravated damages. Newmont remains steadfast in its commitment to foster meaningful and productive relationships with First Nation communities in Canada, and had undertaken appropriate consultations with various community stakeholders, including TTN and other First Nation groups in the Timmins area – as such, the permits were properly issued by the government. Newmont intends to vigorously defend this matter, but cannot reasonably predict the outcome.

As part of its ongoing business and operations, the Company is required to provide surety bonds and bank letters of credit as financial support for various purposes, including environmental reclamation, exploration permitting, and other general corporate purposes. At December 31, 2023, there were $180.7 million of outstanding letters of credit and surety bonds. The obligations associated with these instruments are generally related to performance requirements that the Company addresses through its ongoing operations. As the specific requirements are met, the beneficiary of the associated instrument cancels and/or returns the instrument to the issuing entity. Certain of these instruments are associated with operating sites with long-lived assets and will remain outstanding until closure. Generally, bonding requirements associated with environmental regulation are becoming more restrictive. However, the Company believes it is in compliance with all applicable bonding obligations and will be able to satisfy future bonding requirements through existing or alternative means, as they arise.

The Company is from time to time involved in various legal proceedings related to its business. Except in the matters described above, management does not believe that adverse decisions in any pending or threatened proceeding or that amounts that may be required to be paid by reason thereof will have a material adverse effect on the Company's financial condition or results of operations.

SIGNIFICANT ACCOUNTING POLICIES

For a full description of the Company's significant accounting policies, please see note 3 of the combined financial statements for the year ended December 31, 2023.

CHANGES IN ACCOUNTING POLICIES

a) Recently Adopted Accounting Principles

i. Effects of Reference Rate Reform

In March 2020, the Financial Accounting Standards Board's Accounting Standard Update ("ASU") No. 2020-04 was issued which provides optional guidance for a limited period of time to ease the potential burden on accounting for contract modifications caused by reference rate reform. In January 2021, ASU No. 2021-01 was issued which broadened the scope of ASU No. 2020-04 to include certain derivative instruments. In December 2022, ASU No. 2022-06 was issued which deferred the sunset date of ASU No. 2020-04. The guidance is effective for all entities as of March 12, 2020 through December 31, 2024. The guidance may be adopted over time as reference rate reform activities occur and should be applied on a prospective basis. The Company has completed its review of key contracts and does not expect the guidance to have a material impact to the combined financial statements or disclosures. The Company will continue to review new contracts to identify references to the London Interbank Offered Rates and implement adequate fallback provisions if not already implemented to mitigate the risks or impacts from the transition.

b) Recently Issued Accounting Pronouncements

i. Pillar II

In 2024, Pillar II is set to take effect. The Pillar II agreement was signed by 138 countries with the intent to equalize corporate tax around the world by implementing a global minimum tax of 15%. As the Company primarily does business in jurisdictions with a tax rate greater than 15%, the Company does not anticipate a material impact to the combined financial statements.

ii. Improvement to Income Tax Disclosures

In December 2023, ASU 2023-09 was issued which requires disaggregated information about the effective tax rate reconciliation and additional information on taxes paid that meet a qualitative threshold. The new guidance is effective for annual reporting periods beginning after December 15, 2024, with early adoption permitted. The Company is currently evaluating the impacts of the guidance on its combined financial statements.

CRITICAL ACCOUNTING ESTIMATES

The preparation of the combined financial statements requires the Company to make estimates and assumptions that affect the reported amounts of assets and liabilities and the related disclosure of contingent assets and liabilities at the date of the combined financial statements and the reported amounts of revenues and expenses, including allocations from Newmont, during the periods presented. The Company must make these estimates and assumptions because certain information used is dependent on future events, cannot be calculated with a high degree of precision from data available or simply cannot be readily calculated based on generally accepted methodologies. Actual results could differ from these estimates.

The more significant areas requiring the use of estimates and assumptions relate to mineral reserves that are the basis for future cash flow estimates utilized in impairment calculations and units-of-production amortization calculations; environmental remediation, reclamation and closure obligations; estimates of recoverable gold in stockpile inventories; estimates of fair value for asset impairments; write-downs of inventory, stockpiles to net realizable value; post-employment, post-retirement and other employee benefit liabilities; valuation allowances for deferred tax assets; provisional amounts related to income tax effects of newly enacted tax laws; provisional amounts related to uncertain tax positions; and reserves for contingencies and litigation. The Company bases its estimates on historical experience and on various other assumptions that are believed to be reasonable under the circumstances.

Accordingly, actual results may differ from the amounts estimated in these combined financial statements.

a) Stockpiles and Inventories

As described below, costs that are incurred in or benefit the productive process are accumulated as stockpiles and inventories. Stockpiles and inventories are carried at the lower of average cost or net realizable value. Net realizable value represents the estimated future sales price of the product based on current and long-term metals prices, less the estimated costs to complete production and bring the product to sale. Write-downs of stockpiles and inventories to net realizable value are reported as a component of

Costs applicable to sales and Depreciation and amortization. The current portion of stockpiles and inventories is determined based on the expected amounts to be processed within the next 12 months and utilize the short-term metal price assumption in estimating net realizable value. Stockpiles and inventories not expected to be processed within the next 12 months are classified as non-current and utilize the long-term metal price assumption in estimating net realizable value. The major classifications are as follows:

i. Stockpiles

Stockpiles represent ore that has been extracted from the mine and is available for further processing. Mine sequencing may result in mining material at a faster rate than can be processed. The Company generally processes the highest ore grade material first to maximize metal production; however, a blend of metal stockpiles may be processed to balance hardness and/or metallurgy in order to maximize throughput and recovery. Processing of lower grade stockpiled ore may continue after mining operations are completed. Sulfide copper ores are subject to oxidation over time which can reduce expected future recoveries. Stockpiles are measured by estimating the number of tons added and removed from the stockpile, the number of contained ounces or pounds (based on assay data) and the estimated metallurgical recovery rates (based on the expected processing method). Stockpile ore tonnages are verified by periodic surveys. Costs are added to stockpiles based on current mining costs incurred including applicable overhead and depreciation and amortization relating to mining operations and removed at each stockpile's average cost per recoverable unit as material is processed. Carrying values are evaluated at least quarterly, in accordance with the above.

ii. In-process Inventory

In-process inventories represent material that is currently in the process of being converted to a saleable product. Conversion processes vary depending on the nature of the ore and the specific processing facility but include mill in-circuit and carbon-in-leach. In- process material is measured based on assays of the material fed into the process and the projected recoveries of the respective processing plants. In-process inventories are valued at the lower of the average cost of the material fed into the process attributable to the source material coming from the mines, stockpiles, plus the in-process conversion costs, including applicable amortization relating to the process facilities incurred to that point in the process or net realizable value.

iii. Precious Metals Inventory

Precious metals inventories include gold doré and/or gold bullion. Precious metals that result from the Company's mining and processing activities are valued at the lower of the average cost of the respective in-process inventories incurred prior to the refining process, plus applicable refining costs or net realizable value.

iv. Materials and Supplies

Materials and supplies are valued at the lower of average cost or net realizable value. Cost includes applicable taxes and freight.

b) Property, Plant and Mine Development

i. *Facilities and Equipment*

Expenditures for new facilities or equipment and expenditures that extend the useful lives of existing facilities or equipment are capitalized and recorded at cost. Facilities and equipment acquired as a part of a finance lease, build-to-suit or other financing arrangement are capitalized and recorded based on the contractual lease terms. The facilities and equipment are depreciated using the straight-line method at rates sufficient to depreciate such capitalized costs over the estimated productive lives of such facilities. These estimated productive lives do not exceed the related estimated mine lives, which are based on proven and probable reserves.

ii. *Mine Development*

Mine development costs include engineering and metallurgical studies, drilling and other related costs to delineate an ore body, the removal of overburden to initially expose an ore body at open pit surface mines and the building of access ways, shafts, lateral access, drifts, ramps and other infrastructure at underground mines. Costs incurred before mineralization is classified as proven and probable reserves are expensed and classified as Exploration or Advanced projects, research and development expense. Capitalization of mine development project costs that meet the definition of an asset begins once mineralization is classified as proven and probable reserves.

Drilling and related costs are capitalized for an ore body where proven and probable reserves exist and the activities are directed at obtaining additional information on the ore body or converting measured, indicated and inferred resources to proven and probable reserves. All other drilling and related costs are expensed as incurred. Drilling costs incurred during the production phase for operational ore control are allocated to inventory costs and then included as a component of Costs applicable to sales.

The cost of removing overburden and waste materials to access the ore body at an open pit mine prior to the production phase are referred to as "pre-stripping costs." Pre-stripping costs are capitalized during the development of an open pit mine. Where multiple open pits exist at a mining complex utilizing common processing facilities, pre-stripping costs are capitalized at each pit. The removal, production, and sale of de minimis saleable materials may occur during the development phase of an open pit mine and are assigned incremental mining costs related to the removal of that material.

The production phase of an open pit mine commences when saleable minerals, beyond a deminimis amount, are produced.

Stripping costs incurred during the production phase of a mine are variable production costs that are included as a component of inventory to be recognized in CAS in the same period as the revenue from the sale of inventory.

Mine development costs are amortized using the units-of-production method based on estimated recoverable ounces or pounds in proven and probable reserves. To the extent that these costs benefit an entire ore body, they are amortized over the estimated life of the ore body. Costs incurred to access specific ore blocks or areas that only provide benefit over the life of that area are amortized over the estimated life of that specific ore block or area.

Underground development costs are capitalized as incurred. Costs incurred before mineralization is classified as proven and probable reserves are expensed and classified as Exploration or Advanced projects, research and development expense. Capitalization of mine development project costs that meet the definition of an asset begins once mineralization is classified as proven and probable reserves.

iii. Mineral Interests

Mineral interests include acquired interests in production, development and exploration stage properties. Mineral interests are capitalized at their fair value at the acquisition date, either as an individual asset purchase or as part of a business combination. Mineral interests in the development and exploration stage are not amortized until the underlying property is converted to the production stage, at which point the mineral interests are amortized over the estimated recoverable proven and probable reserves.

The value of such assets is primarily driven by the nature and amount of mineral interests believed to be contained in such properties. Production stage mineral interests represent interests in operating properties that contain proven and probable reserves and are amortized using the units-of-production method based on the estimated recoverable ounces or pounds in proven and probable reserves. Development stage mineral interests represent interests in properties under development that contain proven and probable reserves. Exploration stage mineral interests represent interests in properties that are believed to potentially contain mineral resources consisting of (i) mineral resources within pits; mineral resources with insufficient drill spacing to qualify as proven and probable reserves; and mineral resources in close proximity to proven and probable reserves; (ii) around-mine exploration potential not immediately adjacent to existing reserves and mineralization, but located within the immediate mine area; (iii) other mine-related exploration potential that is not part of current resources and is comprised mainly of material outside of the immediate mine area; (iv) greenfield exploration potential that is not associated with any other production, development or exploration stage property, as described above; or (v) any acquired right to explore or extract a potential mineral deposit. The Company's mineral rights generally are enforceable regardless of whether proven and probable reserves have been established. In certain limited situations, the nature of a mineral right changes from an exploration right to a mining right upon the establishment of proven and probable reserves. The Company has the ability and intent to renew mineral interests where the existing term is not sufficient to recover all identified and valued proven and probable reserves and/or undeveloped mineral resources.

c) Goodwill

Goodwill represents the excess of the purchase price over the estimated fair value of the net assets acquired. Goodwill is tested for impairment annually as of December 31 and when events or changes in circumstances indicate that the carrying value of a reporting unit exceeds its fair value.

The Company may elect to perform a qualitative assessment when it is more likely than not that the fair value of a reporting unit is higher than its carrying value. If the Company determines that it is more likely than not that the fair value is less than the carrying value, a quantitative goodwill impairment test is performed to determine the fair value of the reporting unit. The fair value of a reporting unit is determined using either the income approach utilizing estimates of discounted future cash flows or the market approach utilizing recent transaction activity for comparable properties. These approaches are considered Level 3 fair value measurements. If the carrying amount of the reporting unit exceeds its fair value, an impairment loss is recognized in an amount equal to that excess, limited to the total amount of goodwill allocated to the reporting unit.

The estimated cash flows used to assess the fair value of a reporting unit are derived from the Company's current business plans, which are developed using short-term price forecasts reflective of the current price environment and management's projections for long-term average gold prices. In addition to short- and long-term gold price assumptions, other assumptions include estimates of commodity-based and other input costs; capital investments; proven and probable mineral reserves estimates, including the timing and cost to develop and produce the reserves; value beyond proven and probable mineral reserve estimates; estimated future closure costs; the use of appropriate discount rates; and applicable U.S. dollar long-term exchange rates.

d) Impairment of Long-lived Assets.

The Company reviews and evaluates its long-lived assets for impairment when events or changes in circumstances indicate that the related carrying amounts may not be recoverable. An impairment loss is measured and recorded based on the estimated fair value of the long-lived assets being tested for impairment, and their carrying amounts. Fair value is typically determined through the use of an income approach utilizing estimates of discounted pre-tax future cash flows or a market approach utilizing recent transaction activity for comparable properties. These approaches are considered Level 3 fair value measurements.

The estimated undiscounted cash flows used to assess recoverability of long-lived assets and to measure the fair value of the Company's mining operations are derived from current business plans, which are developed using short-term price forecasts reflective of the current price environment and management's projections for long-term average metal prices. In addition to short- and long-term metal price assumptions, other assumptions include estimates of commodity-based and other input costs; proven and probable mineral reserve estimates, including the timing and cost to develop and produce the reserves; value beyond proven and probable mineral reserve estimates; estimated future closure costs; and the use of appropriate discount rates.

In estimating undiscounted cash flows, assets are grouped at the lowest level for which there are identifiable cash flows that are largely independent of undiscounted cash flows from other asset groups. The Company's estimates of undiscounted cash flows are based on numerous assumptions and it is possible that actual cash flows may differ significantly from estimates, as actual produced reserves, metal prices, commodity-based and other costs, and closure costs are each subject to significant risks and uncertainties.

e) Leases

The Company determines if a contractual arrangement represents or contains a lease at inception. Operating leases are included in Other non-current assets and Other current and non-current liabilities in the combined balance sheets. Finance leases are included in Property, plant and mine development, net and Other current assets in the combined balance sheets.

Operating and finance lease right-of-use ("ROU") assets and lease liabilities are recognized at the lease commencement date based on the present value of the future lease payments over the lease term. When the rate implicit to the lease cannot be readily determined, the Company utilizes its incremental borrowing rate in determining the present value of the future lease payments. The incremental borrowing rate is derived from information available at the lease commencement date and represents the rate of interest that the Company would have to pay to borrow on a collateralized basis over a similar term and amount equal to the lease payments in a similar economic environment. The ROU asset includes any lease payments made and lease incentives received prior to the commencement date. Operating lease ROU assets also include any cumulative prepaid or accrued rent when the lease payments are uneven throughout the lease term. The ROU assets and lease liabilities may include options to extend or terminate the lease when it is reasonably certain that the Company will exercise that option.

The Company has lease arrangements that include both lease and non-lease components. The Company accounts for each separate lease component and its associated non-lease components as a single lease component for the majority of its asset classes. Additionally, for certain lease arrangements that involve leases of similar assets, the Company applies a portfolio approach to effectively account for the underlying ROU assets and lease liabilities.

f) Revenue Recognition

The Company generates revenue through the sale of gold produced at its mining operations. The majority of the Company's Sales come from the sale of refined gold; however, the end product is generally doré bars.

Doré is an alloy consisting primarily of gold but also containing silver and other metals. Doré is sent to refiners to produce bullion that meets the required market standard of 99.95% gold. Under the terms of the Company's refining agreements, the doré bars are refined for a fee, and the Company's share of the refined gold and the separately recovered silver is credited to its bullion account. Gold from doré bars credited to its bullion account is typically sold to banks or refiners.

The Company recognizes revenue for gold from doré production when it satisfies the performance obligation of transferring gold inventory to the customer, which generally occurs upon transfer of gold bullion credits as this is the point at which the customer obtains the ability to direct the use and obtains substantially all of the remaining benefits of ownership of the asset.

The Company generally recognizes the sale of gold bullion credits when the credits are delivered to the customer. The transaction price is determined based on the agreed upon market price and the number of ounces delivered. Payment is due upon delivery of gold bullion credits to the customer's account.

g) Income and Mining Taxes

The Company's income tax provision was prepared using the separate return method. The calculation of income taxes on a separate return basis requires a considerable amount of judgment and use of both estimates and allocations. As a result, actual transactions included in Newmont's consolidated financial statements may not be included in the combined financial statements. Similarly, the tax treatment of certain items reflected in the combined financial statements may not be reflected in Newmont's consolidated financial statements and tax returns. Therefore, items such as net operating losses, credit carryforwards and valuation allowances may exist in the combined financial statements that may or may not exist in Newmont's consolidated financial statements.

All income taxes due to or due from Newmont that have not been settled or recovered by the end of the period are reflected in Net Parent investment. Any differences between actual amounts paid or received by the Company and taxes accrued under the separate return method are deemed to be settled and are reflected in Net Parent investment in the combined balance sheets.

The Company accounts for income taxes using the liability method, recognizing certain temporary differences between the financial reporting basis of the Company's liabilities and assets and the related income tax basis for such liabilities and assets. This method generates either a net deferred income tax liability or asset for the Company, as measured by the statutory tax rates in effect. The Company derives its deferred income tax charge or benefit by recording the change in either the net deferred income tax liability or asset balance for the year. The financial statement effects of changes in tax law are recorded as discrete items in the period enacted as part of income tax expense or benefit from continuing operations, regardless of the category of income or loss to which the deferred taxes relate. The Company determines if the assessment of a particular income tax effect is "complete." Those effects for which the accounting is determined to be complete are reported in the enactment period financial statements. The Company has exposure to the impact of foreign exchange fluctuations on tax positions, such movements are recorded within Income and mining tax benefit related to deferred income tax assets and liabilities.

Mining taxes represent provincial taxes levied on mining operations and are classified as income taxes. As such, taxes are based on a percentage of mining profits.

The Company operates in Canada where uncertainties arise in the application of complex tax regulations. Some of these tax regimes are defined by contractual agreements with the local government, while others are defined by general tax laws and regulations. The Company is subject to reviews of its income tax filings and other tax payments, and disputes can arise with the taxing authorities over the interpretation of its contracts or laws. The Company recognizes potential liabilities and records tax liabilities for anticipated tax audit issues in Canada based on its estimate of whether it is more likely than not, and the extent to which, additional taxes will be due. The Company adjusts these reserves in light of changing facts and circumstances; however, due to the complexity of some of these uncertainties, the ultimate resolution may result in a payment that is materially different from the Company's current estimate of the tax liabilities. If the Company's estimate of tax liabilities proves to be less than the ultimate assessment, an additional charge to expense would result. If the estimate of tax liabilities proves to be greater than the ultimate assessment, a tax benefit would result. The Company recognizes interest and penalties, if any, related to unrecognized tax benefits in Income and mining tax benefit.

h) Valuation of Deferred Tax Assets

The Company's deferred income tax assets include certain future tax benefits. The Company records a valuation allowance against any portion of those deferred income tax assets when it believes, based on the weight of available evidence, it is more likely than not that some portion or all of the deferred income tax asset will not be realized. The Company reviews the likelihood that it will realize the benefit of its deferred tax assets and therefore the need for valuation allowances on a quarterly basis, or more frequently if events indicate that a review is required. In determining the requirement for a valuation allowance, the historical and projected financial results of the legal entity or combined group recording the net deferred tax asset is considered, along with all other available positive and negative evidence.

Certain categories of evidence carry more weight in the analysis than others based upon the extent to which the evidence may be objectively verified. The Company looks to the nature and severity of cumulative pretax losses (if any) in the current three-year period ending on the evaluation date, recent pretax losses and/or expectations of future pretax losses. Other factors considered in the determination of the probability of the realization of the deferred tax assets include, but are not limited to:

- Earnings history;
- Projected future financial and taxable income based upon existing reserves and long-term estimates of commodity prices;
- The duration of statutory carry forward periods;
- Prudent and feasible tax planning strategies readily available that may alter the timing of reversal of the temporary difference;
- Nature of temporary differences and predictability of reversal patterns of existing temporary differences; and
- The sensitivity of future forecasted results to commodity prices and other factors.

Concluding that a valuation allowance is not required is difficult when there is significant negative evidence which is objective and verifiable, such as cumulative losses in recent years. The Company utilizes a rolling twelve quarters of pre-tax income or loss as a measure of its cumulative results in recent years. However, a cumulative three-year loss is not solely determinative of the need for a valuation allowance. The Company also considers all other available positive and negative evidence in its analysis.

i) Reclamation Costs

Reclamation obligations associated with Porcupine's operations are recognized when an obligation is incurred and the fair value can be reasonably estimated. Fair value is measured as the present value of expected cash flow estimates, after considering inflation, the Company’s credit-adjusted risk-free rates and a market risk premium appropriate for the Company's operations. The liability is accreted over time through periodic charges to earnings. In addition, the asset retirement cost is capitalized as part of the asset’s carrying value and amortized over the life of the related asset. Reclamation costs are periodically adjusted to reflect changes in the estimated present value resulting from the passage of time and revisions to the estimates of either the timing or amount of the reclamation costs. Changes in reclamation estimates at mines that are not currently operating, as the mine or portion of the mine site has entered the closure phase and has no substantive future economic value, are reflected in earnings in the period an estimate is revised. The estimated reclamation obligation is based on when spending for an existing disturbance is expected to occur. Costs included in estimated asset retirement obligations are discounted to their present value as cash flows are readily estimable over a period of up to fifty years. The Company reviews, on an annual basis, unless otherwise deemed necessary, the reclamation obligation in accordance with GAAP guidance for asset retirement obligations.

j) Fair Value Accounting

Fair value accounting establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described below:

Level 1: Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities;

Level 2: Quoted prices in markets that are not active, quoted prices for similar assets or liabilities in active markets, quoted prices or inputs that are observable, either directly or indirectly, for substantially the full term of the asset or liability and model-based valuation techniques (e.g. the Black-Scholes model) for which all significant inputs are observable in the market or can be corroborated by observable market data for substantially the full term of the assets or liabilities; and

Level 3: Prices or valuation techniques that require inputs that are both significant to the fair value measurement and unobservable (supported by little or no market activity).

The Company's financial instruments measured on a recurring basis primarily include receivables and payables for which the carrying value approximates fair value due to the short maturities and are classified within Level 1.

The Company's long-lived assets are subject to fair value measurement as a result of impairment tests performed for the years ended December 31, 2023 and 2022.

k) Foreign Currency

The functional currency of the Company's operations is the U.S. dollar. Transaction gains and losses related to foreign currency denominated monetary assets and liabilities where the functional currency is the U.S. dollar are remeasured at current exchange rates and the resulting adjustments are included in Other income, net. All assets and liabilities are translated into the U.S. dollar using exchange rates in effect at the balance sheet date, while revenues and expenses are translated at the weighted average exchange rates for the period.

OFF-BALANCE SHEET ARRANGEMENTS

The Company has off-balance sheet arrangements of $180.7 of outstanding surety bonds, bank letters of credit and bank guarantees. Refer to the "*Commitments and Contractual Obligations"* section of this MD&A and note 7 of the Combined Financial Statements for additional details.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION

Except for statements of historical fact, information contained, or incorporated by reference, herein constitutes "forward-looking information" and "forward-looking statements" within the meaning of applicable securities laws. Forward-looking information is often, but not always, identified by the use of words such as "seek", "anticipate", "plan", "continue", "planned", "expect", "project", "predict", "potential", "targeting", "intends", "believe", and similar expressions, or describes a "goal", or variation of such words and phrases or states that certain actions, events or results "may", "should", "could", "would", "might" or "will" be taken, occur or be achieved. Statements relating to mineral resources are deemed to be forward-looking statements, as they involve the implied assessment, based on certain estimates and assumptions, that the mineral resources described exist in the quantities predicted or estimated or that it will be commercially viable to produce any portion of such resources. Forward-looking statements in this MD&A include, but may not be limited to, statements and expectations regarding the completion of the Transaction and the timing therefor, outlooks for Porcupine pertaining to production rates, mining and processing rates, total costs CAS, AISC, capital spending, cash flow, operational performance, mine life, and value of operations, as well as other statements and information as to strategy, plans or future financial and operating performance, such as project timelines, production plans, expected sustainable impact improvements, expected exploration programs, costs and budgets, forecasted cash shortfalls and the ability to fund them and other statements that express management's expectations or estimates of future plans and performance. Forward-looking statements and forward-looking information are not guarantees of future performance and are based upon a number of estimates and assumptions of management at the date the statements are made, including among other things: the future prices of gold; the price of other commodities such as coal, fuel and electricity; currency exchange rates and interest rates; favourable operating conditions; political stability; timely receipt of governmental approvals, licenses, and permits (and renewals thereof); access to necessary financing; stability of labour markets and in market conditions in general; availability of equipment; the accuracy of mineral resource and reserve estimates, and of any metallurgical testing completed to date; estimates of costs and expenditures to complete programs and goals; the speculative nature of mineral exploration and development in general; there being no significant disruptions affecting the development and operation of the mine; and assumptions made in mineral resource estimates, including, but not limited to, geological interpretation, grades, metal price assumptions, metallurgical and mining recovery rates, geotechnical and hydrogeological assumptions, capital and operating cost estimates, and general marketing, political, business and economic conditions. Many of these assumptions are inherently subject to significant business, social, economic, political, regulatory, competitive and other risks and uncertainties, contingencies, and other factors that are not within the control of Porcupine and could thus cause actual performance, achievements, actions, events, results or conditions to be materially different from those projected in the forward-looking statements and forward-looking information.

Although the Company has attempted to identify important factors that could cause actual performance, achievements, actions, events, results, or conditions to differ materially from those described in forward-looking statements or forward-looking information, there may be other factors that cause performance, achievements, actions, events, results, or conditions to differ from those anticipated, estimated, or intended.

Forward-looking statements and forward-looking information contained herein are made as of the date of this MD&A and the Company disclaims any obligation to update or revise any forward-looking statements or forward-looking information, whether as a result of new information, future events, or results or otherwise, except as required by applicable law. There can be no assurance that forward-looking statements or forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements or forward-looking information. All forward-looking statements and forward-looking information attributable to the Company is expressly qualified by these cautionary statements.

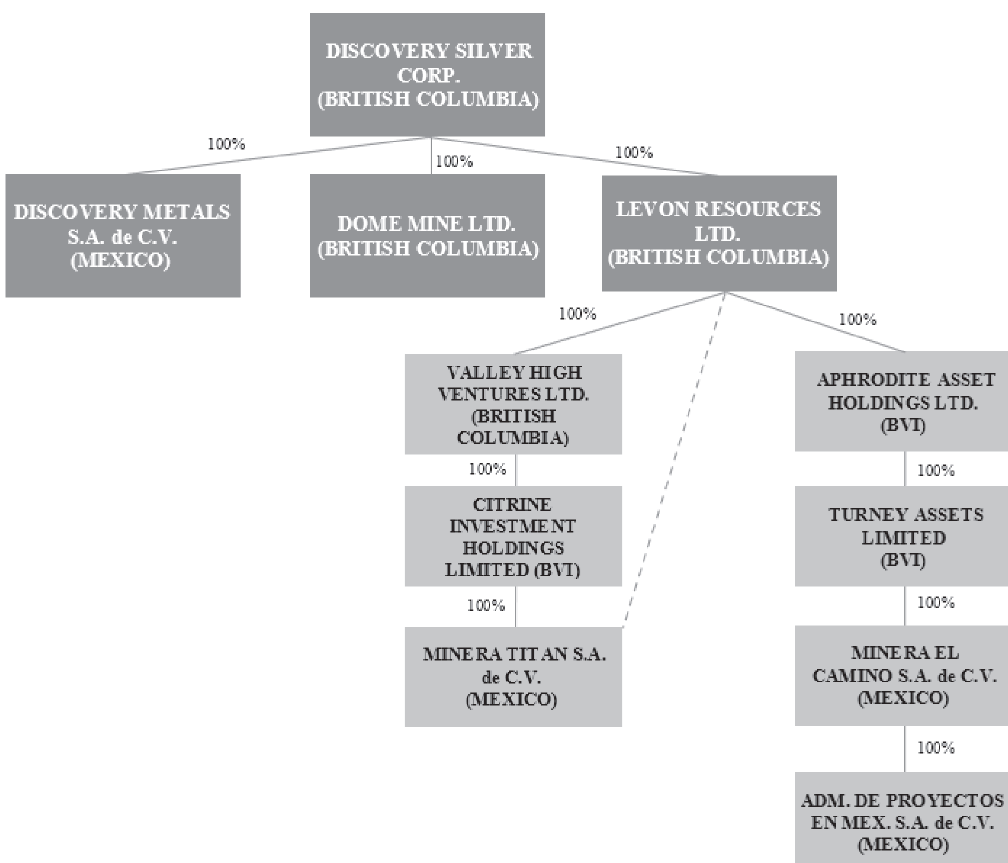
SCHEDULE "C"
INFORMATION CONCERNING THE COMBINED COMPANY

The following information about the Combined Company following completion of the Acquisition is presented on a post-Acquisition basis and reflects the projected consolidated business, financial and share capital position of Discovery, as the Combined Company, assuming the completion of the Acquisition and should be read in conjunction with the documents incorporated by reference in this Circular and the information concerning the Company and NewCo, as applicable, appearing elsewhere in this Circular. The following section of this Circular contains forward-looking information. Readers are cautioned that actual results may vary. See *"Forward-Looking Statements"*.

Overview

Following the completion of the Acquisition, Discovery will continue to be the publicly traded parent company of the combined business, with the Common Shares listed on the TSX, and NewCo will be a wholly owned subsidiary of Discovery.

The corporate chart that follows sets forth the Combined Company and its subsidiaries, together with the jurisdiction of incorporation of each company and the percentage of voting securities beneficially owned, controlled or directed, directly or indirectly, by the Combined Company following completion of the Acquisition.



The head office and registered office of the Combined Company following completion of the Acquisition will continue to be located at Suite 701, 55 University Avenue, Toronto, Ontario, M5J 2H7 and Suite 2200, 885 West Georgia Street, Vancouver, British Columbia, V6C 3E8, respectively.

The Combined Company will continue to be a company existing under the BCBCA. It is anticipated that, after completion of the Acquisition, the Combined Company will continue to be a reporting issuer in each of the provinces and territories of Canada.

Except as otherwise described in this Schedule "C", the business of the Combined Company following completion of the Acquisition and information relating to the Combined Company following completion of the Acquisition will be that of the Company generally and as disclosed elsewhere in this Circular.

Description of Mineral Properties

On completion of the Acquisition, the Combined Company's material mineral properties will be the Cordero Project and the Porcupine Complex.

Further information regarding the Cordero Project can be found in the Company AIF, which is incorporated by reference in this Circular, and further information regarding the Porcupine Complex can be found in Schedule "B" – *Information Concerning NewCo* to the Circular.

Selected Pro Forma Financial Information

Appendix "A" – *Pro Forma Financial Information* to this Schedule "C" to the Circular contains the Discovery Pro Forma Financial Statements, which have been compiled from the underlying financial statements of Discovery and the Porcupine Complex to illustrate the effect of the Acquisition. Adjustments have been made to prepare the Discovery Pro Forma Financial Statements, which adjustments are based on certain assumptions. Both the adjustments and the assumptions made in respect thereof are described in the notes to the Discovery Pro Forma Financial Statements. The Discovery Pro Forma Financial Statements are presented for illustrative purposes only and are not intended to reflect: (i) the operating or financial results that would have occurred had the Acquisition actually occurred at the times contemplated by the notes to the Discovery Pro Forma Financial Statements; or (ii) of the results expected in future periods.

You should read the Discovery Pro Forma Financial Statements together with the Company Annual Financial Statements and Q3 2024 Financial Statements, which are incorporated by reference in this Circular, and the financial statements in respect of the Porcupine Complex as set forth in Appendix "A" *Financial Statements of the Porcupine Complex* to Schedule "B" to the Circular.

The following tables set forth Discovery's selected unaudited *pro forma* consolidated financial information (i) for the year ended December 31, 2023, and (ii) for the nine months ended September 30, 2024, in each case after giving effect to the Acquisition, the Offering and the Franco-Nevada Financing Package, and the assumptions as described in the Discovery Pro Forma Financial Statements. These tables should be read in conjunction with the Discovery Pro Forma Financial Statements.

	As at September 30, 2024 (Canadian dollars in thousands, except per share amounts)			
	Discovery	**Porcupine[1]**	**Pro Forma Adjustments**	**Pro Forma Consolidated**
Total assets	125,095	2,083,304	(715,545)	1,492,854
Total liabilities	7,488	1,156,438	(95,460)	1,068,466
Total shareholders' equity	117,607	926,866	(620,085)	424,388
Total liabilities and shareholders' equity	125,095	2,083,304	(715,545)	1,492,854

Note:

(1) Column was derived from the condensed combined financial statements for the Porcupine Complex as at September 30, 2024, which was prepared in U.S. dollars. The exchange rate used to translate the U.S. dollar amounts is the period-end exchange rate at September 30, 2024, of $1.3499 for US$1.00.

	Year ended December 31, 2023 (Canadian dollars in thousands, except per share amounts)			
	Discovery	**Porcupine(1)**	**Pro Forma Adjustments**	**Pro Forma Consolidated**
Revenue	--	678,597	--	678,597
Costs applicable to sales	--	407,977	40,756	448,733
Net (loss) income	(15,752)	(79,942)	(17,153)	(112,847)
Comprehensive loss	(14,403)	(82,687)	(17,153)	(114,243)
Loss per share				
Basic	(0.04)	--	(0.11)	(0.15)
Diluted	(0.04)	--	(0.11)	(0.15)

Note:

(1) Column was derived from the combined financial statements for the Porcupine Complex for the year ended December 31, 2023, which was prepared in U.S. dollars. The exchange rate used to translate the U.S. dollar amounts is the average exchange rate for the year ended December 31, 2023, of $1.3497 for US$1.00.

	Nine months ended September 30, 2024 (Canadian dollars in thousands, except per share amounts)			
	Discovery	**Porcupine(1)**	**Pro Forma Adjustments**	**Pro Forma Consolidated**
Revenue	--	684,895	--	684,895
Costs applicable to sales	--	320,962	--	320,962
Net (loss) income	(12,977)	118,720	62,690	168,433
Comprehensive (loss) income	(16,170)	118,765	62,690	165,285
Earnings (loss) per share				
Basic	(0.03)	--	0.25	0.22
Diluted	(0.03)	--	0.25	0.22

Note:

(1) Column was derived from the condensed combined financial statements for the Porcupine Complex for the nine months ended September 30, 2024, which was prepared in U.S. dollars. The exchange rate used to translate the U.S. dollar amounts is the average exchange rate for the nine months ended September 30, 2024, of $1.3604 for US$1.00.

Consolidated Capitalization

Except as otherwise described in this Circular, there has not been any material change to the Company's share and loan capital on a consolidated basis, since September 30, 2024, the date of the Company's most recently filed financial statements. See Appendix "A" – *Pro Forma Financial Information* to this Schedule "C" to the Circular. The following table sets forth the consolidated capitalization of the Company as at September 30, 2024, and as at such date, on an adjusted basis, to give effect to the closing of the Offering and the Franco-Nevada Financing Package and the completion of the Acquisition (assuming the issuance of Common Shares to holders of the Subscription Receipts). The following table should be read in conjunction with the Q3 2024 Financial Statements and the Q3 2024 MD&A, and the Discovery Pro Forma Financial Statements:

Designation	**Outstanding as at September 30, 2024**	**Outstanding as at September 30, 2024 after giving effect to the Offering, the Franco-Nevada Financing Package, the issuance of the Franco Warrants, and the completion of the Acquisition(1)**
	(Canadian dollar in thousands, except share amounts)	
Credit Facility(2)	--	$134,990
Share capital		
Common Shares(3)	400,226,881	794,943,548
Preferred shares	--	--
Restricted Share Units	5,664,978	6,966,907
Deferred Share Units	2,375,997	2,375,997
Stock Options	16,021,875	16,021,875
Franco Warrants	--	3,900,000

Notes:

(1) Based on (i) the issuance of 275,000,000 Subscription Receipts pursuant to the Offering, (ii) the drawdown of the full US$100 million under the Credit Facility, (iii) the issuance of all 119,716,667 Consideration Shares, and (iv) 1,301,929 Discovery Replacement RSUs to be granted as replacement for restricted stock units of Newmont held by Porcupine Employees (calculated at $0.90 per Common Share of the Company). The actual number of Discovery Replacement RSUs will vary. See *"Matters to be Considered at the Meeting – Discovery Replacement RSUs"* in the Circular. The exchange rate used to translate the U.S. dollar amounts is the exchange rate as of September 30, 2024, of C$1.3499 per US$1.00.

(2) The Credit Facility is intended to be used as a standby working capital facility following completion of the Acquisition and subject to the satisfaction of the conditions precedent to any advance thereunder. The Company does not intend to make draws under the senior credit facility immediately upon the Acquisition Closing and the amounts to be ultimately drawn under the Credit Facility, if any, are not certain at this time.

(3) The Company is authorized to issue an unlimited number of Common Shares and preferred shares. As at September 30, 2024, there were 400,226,881 Common Shares outstanding and no preferred shares outstanding.

Description of Share Capital

The authorized share capital of the Combined Company following completion of the Acquisition will continue to be as described in Schedule "A" – *Information Concerning the Company* attached to this Circular and the rights and restrictions of the Common Shares will remain unchanged.

In connection with the Acquisition, the Company will issue: (i) up to 119,716,667 Consideration Shares to GCL pursuant to the Acquisition Agreement; and (ii) 3,900,000 Common Shares issuable upon the exercise of Company warrants to be issued by the Company to Franco-Nevada. In addition, the Company will grant the Discovery Replacement RSUs to Porcupine Employees.

Pursuant to the Acquisition Agreement, in the event that shareholder approval is not obtained, the number of Consideration Shares to be issued to GCL on the Acquisition Closing shall be reduced to 94,512,921 Consideration Shares, and the first deferred cash payment payable to GCL on December 31, 2027 shall be increased from US$37.5 million to US$53,289,622.

Dividends

Following the Acquisition Closing, there will be no restrictions that prevent the Company from paying dividends or distributions other than pursuant to the Term Loan Agreement. However, the Company has not paid any dividends or distributions on its Common Shares since incorporation and there are no plans to pay dividends at this time. At present, all available funds are invested to finance the growth of the Company and the exploration and development of its mineral properties. Any decision to pay dividends on its Common Shares in the future will be made by the Board from time to time, in its discretion, on the basis of many factors, including the Combined Company's earnings, operating results, financial condition, and anticipated cash needs and other conditions existing at such time.

Principal Holders of Common Shares Upon Completion of the Acquisition

Except as set forth below, to the knowledge of the directors and executive officers of the Company, as of the date hereof, it is not anticipated that any securityholder will own of record or beneficially, directly or indirectly, or exercise control or direction over voting securities carrying more than 10% of the voting rights attached to the Common Shares following completion of the Acquisition.

Name of Combined Company Shareholder	Common Shares Owned, Controlled or Directed	Percentage of Common Shares(1)(2)
2176423 Ontario Ltd.(3)	121,843,998	15.3%
GCL	119,716,667(2)	15.1%

Notes:

(1) Based on (i) the issuance of 275,000,000 Subscription Receipts pursuant to the Offering and (ii) the issuance of all 119,716,667 Consideration Shares.

(2) Based on the issuance of 119,716,667 Consideration Shares to GCL pursuant to the Acquisition Agreement and assuming shareholder approval of the Share Issuance Resolution. If shareholder approval for the Share Issuance Resolution is not obtained, GCL will receive 94,512,921 Consideration Shares and would hold approximately 12.3% of the issued and outstanding Common Shares. If the Share Issuance Resolution is not approved at the Meeting, 2176423 Ontario Ltd. would continue to own or control 121,843,998 Common Shares, representing approximately 15.8% of the issued and outstanding Common Shares.

(3) 2176423 Ontario Ltd. is a company beneficially owned by Mr. Eric Sprott.

Material Contracts

Other than as disclosed in this Circular or in the documents incorporated by reference herein, there are no contracts to which the Combined Company is expected to be a party following completion of the Acquisition that can reasonably be regarded as material to a potential investor, other than contracts entered into by NewCo or the Company in the ordinary course of business. For a description of the material contracts of the Company, please refer to *"Material Contracts*" in the Company AIF, which is incorporated by reference herein, and Schedule "A" – *Information Concerning the Company* to this Circular under the heading *"Material Contracts"*, and for a description of the material contracts of NewCo, see Schedule "B" – *Information Concerning NewCo* to the Circular under the heading *"Material Contracts"*.

Risk Factors

The business and operations of the Combined Company following completion of the Acquisition will continue to be subject to the risks currently faced by the Company and NewCo, as well as certain risks unique to the Combined Company following completion of the Acquisition, including those set out under the heading *"Risk Factors"* in this Circular.

Readers should also carefully consider the risk factors relating to the Company described in the Company AIF and the risk factors relating to NewCo described in Schedule "B" – *Information Concerning NewCo* to this Circular under the heading *"Risk Factors"*. If any of the identified risks were to materialize, the Combined Company's business, financial position, results and/or future operations may be materially affected.

Shareholders should also carefully consider all of the information disclosed in this Circular and the documents incorporated by reference herein.

The risk factors that are identified in this Circular and the documents incorporated by reference are not exhaustive and other factors may arise in the future that are currently not foreseen that may present additional risks in the future.

Auditors, Transfer Agent and Registrar

The auditor of the Combined Company following completion of the Acquisition will continue to be PricewaterhouseCoopers LLP, and the transfer agent and registrar for the Common Shares will continue to be TSX Trust at its principal offices in Vancouver, British Columbia and Toronto, Ontario.

APPENDIX "A"
PRO FORMA FINANCIAL INFORMATION

See attached.

Unaudited Pro Forma Consolidated Financial Statements
(Expressed in thousands of Canadian dollars, unless otherwise noted)

DISCOVERY SILVER CORP.

As at September 30, 2024;
For the nine month period ended September 30, 2024; and
For the year ended December 31, 2023

Discovery Silver Corp.

Unaudited Pro Forma Consolidated Statement of Financial Position
As at September 30, 2024
Expressed in thousands of Canadian dollars

	IFRS				
	Discovery Silver Corp	**Porcupine (Note 4)**	**Pro forma adjustments**	**Notes**	**Pro forma consolidated**
Assets					
Current assets					
Cash and cash equivalents	$ 33,442	$ –	$ (269,980)	2(a)	$383,577
			404,970	2(b)	
			215,145	2(c)	
Sales and value-added tax and other receivables	3,159	24,232	–		27,391
Prepaids and deposits	351	–	–		351
Investments	172	–	–		172
Trade receivables	–	1,011	–		1,011
Inventories	–	52,326	8,163	2(a)	60,489
Stockpiles	–	38,881	32,593	2(a)	71,474
Other current assets	–	1,542	1,011	2(h)	2,553
Total current assets	37,124	117,992	391,902		547,018
Non-current assets					
Property, plant and mine development	1,142	1,943,992	(1,108,457)	2(a)	836,677
Value-added tax receivable	2,328	–	–		2,328
Stockpiles	–	19,650	–		19,650
Mineral properties	84,501	–	–		84,501
Other-non current assets	–	1,670	1,010	2(h)	2,680
Total non-current assets	87,971	1,965,312	(1,107,447)		945,836
Total assets	$ 125,095	$ 2,083,304	$ (715,545)		$ 1,492,854
Liabilities					
Current liabilities					
Accounts payable, accrued, and other liabilities	$ 6,108	$ 34,400	$ 22,100	2(f)	$ 62,608
Current portion of lease liabilities	117	–	–		117
Employee-related benefits	–	14,818	–		14,818
Income and mining taxes	–	28,224	(28,224)		–
Other current liabilities	–	82,499	(1,016)	2(a)	81,483
Net smelter return royalty	–	–	32,832	2(b)	32,832
Total current liabilities	6,225	159,941	25,692		191,858
Non-current liabilities					
Other non-current liabilities	1,042	–	115,238	2(a)	116,280
Lease liabilities	221	–	–		221
Reclamation liabilities	–	736,815	(421,262)	2(a)	315,553
Deferred income tax liabilities	–	230,512	(187,266)	2(a)	43,246
Employee-related liabilities	–	29,170	–		29,170
Net smelter return royalty	–	–	372,138	2(b)	372,138
Total non-current liabilities	1,263	996,497	(121,152)		876,608
Total liabilities	7,488	1,156,438	(95,460)		1,068,466
Shareholder's equity					
Share capital	219,991	–	110,514	2(a)	546,851
			1,201	2(a)	
			215,145	2(c)	
Contributed surplus	43,221	–	–		43,221
Warrants	17,525	–	2,021	2(h)	19,546
Accumulated other comprehensive (loss) income	(1,796)	369	(369)	2(a)	(1,796)
Accumulated deficit	(161,334)	–	(22,100)	2(f)	(183,434)
Net parent investment	–	926,497	(926,497)	2(a)	–
Total shareholder's equity	117,607	926,866	(620,085)		424,388
Total liabilities and shareholder's equity	$ 125,095	$2,083,304	$ (715,545)		$1,492,854

See accompanying notes to the unaudited pro forma consolidated financial statements.

Discovery Silver Corp.

Unaudited Pro Forma Consolidated Statement of Profit (Loss) and Total Comprehensive Income (Loss)
For the nine-month period ended September 30, 2024
Expressed in thousands of Canadian dollars

	Discovery Silver Corp.	Porcupine (Note 4)	Pro forma adjustments	Notes	Pro forma consolidated
Revenues					
Sales	$ –	$ 684,895	$ –		$ 684,895
Expenses					
Costs applicable to sales (1)	–	320,962	–		320,962
Depreciation and amortization	–	149,427	(46,967)	2(d)	102,460
General office and administration	6,507	17,119	–		23,626
Reclamation	–	23,491	(8,053)	2(g)	15,438
Advanced projects, research and development	–	6,333	–		6,333
Exploration and project evaluation expenses	511	4,374	–		4,885
Share-based compensation	2,751	–	–		2,751
Professional fees	1,190	–	–		1,190
Loss on fair value remeasurement	32	–	–		32
Impairment charges	–	12	–		12
Other expenses, net	–	960	1,778	2(h)	2,738
Interest expense	11	–	10,719	2(e)	10,730
Interest income	(1,819)	–	–		(1,819)
Other income	–	(2,279)	–		(2,279)
Foreign exchange loss	3,794	–	–		3,794
Income and mining tax expense (recovery)	–	45,776	(20,167)	2(j)	25,609
Net (loss) income	(12,977)	118,720	62,690		168,433
Other comprehensive loss	(3,193)	–	–		(3,193)
Change in pension benefits, net of tax	–	45	–		45
Total comprehensive (loss) income	(16,170)	118,765	62,690		165,285
Weighted average shares - basic	399,537,915	–	371,018,596	3	770,556,511
Weighted average shares - diluted	399,537,915	–	380,351,206	3	779,889,121
(Loss) earnings per share - basic	(0.03)	–	0.25		0.22
(Loss) earnings per share - diluted	(0.03)	–	0.25		0.22

(1) Excludes Depreciation and Amortization

See accompanying notes to the unaudited pro forma consolidated financial statements

Discovery Silver Corp.

Unaudited Pro Forma Consolidated Statement of Profit (Loss) and Total Comprehensive Income (Loss)
For the year ended December 31, 2023
Expressed in thousands of Canadian dollars

	Discovery Silver Corp.	Porcupine (Note 4)	Pro forma adjustments	Notes	Pro forma consolidated
Revenues					
Sales	$ –	$ 678,597	$ –		$ 678,597
Expenses					
Costs applicable to sales (1)	–	407,977	40,756	2(i)	448,733
Depreciation and amortization	–	162,945	(57,692)	2(d)	105,253
General office and administration	8,653	17,282	22,100	2(f)	48,035
Reclamation	–	166,021	(10,537)	2(g)	155,484
Advanced projects, research and development	–	11,686	–		11,686
Exploration and project evaluation expenses	3,744	17,588	–		21,332
Share-based compensation	5,673	–	–		5,673
Professional fees	1,547	–	–		1,547
Write-off of IVA receivable	1,294	–	–		1,294
Loss on fair value remeasurement	316	–	–		316
Impairment charges	–	6,479	–		6,479
Other expenses, net		1,004	2,360	2(h)	3,364
Interest expense	19	–	14,839	2(e)	14,858
Interest income	(3,095)	–	–		(3,095)
Other income	–	(1,791)	–		(1,791)
Foreign exchange (gain)	(2,399)	–	–		(2,399)
Income and mining tax expense (recovery)	–	(30,652)	5,327	2(j)	(25,325)
Net (loss) income	(15,752)	(79,942)	(17,153)		(112,847)
Other comprehensive income	1,349	–	–		1,349
Change in pension benefits, net of tax	–	(2,745)	–		(2,745)
Total comprehensive loss	(14,403)	(82,687)	(17,153)		(114,243)
Weighted average shares - basic	382,703,062	–	371,018,596	3	753,721,658
Weighted average shares - diluted	382,703,062	–	371,018,596	3	753,721,658
Loss per share - basic	(0.04)	–	(0.11)		(0.15)
Loss per share - diluted	(0.04)	–	(0.11)		(0.15)

(1) Excludes Depreciation and Amortization

See accompanying notes to the unaudited pro forma consolidated financial statements

1. BASIS OF PRESENTATION

On January 27, 2025, Discovery Silver Corporation ("Discovery") and Goldcorp Canada Ltd., a wholly-owned subsidiary of Newmont Corporation ("Newmont"), entered into a proposed Share Purchase Agreement, under which, if executed, Discovery will acquire a 100% share ownership interest in a newly formed entity ("NewCo" or "Porcupine") (the "Transaction"). The Transaction is subject to shareholder approval.

In connection with, and as a condition to closing the Transaction, Discovery shall:

- Execute a net smelter return ("NSR") commitment letter granting a royalty in exchange for cash consideration of USD$300,000 to be used for the Transaction and general working capital purposes (Note 2(b)).
- Execute an equity commitment letter for the issuance and sale by Discovery of its common shares to one or more third parties for the purpose of raising net proceeds of not less than USD$150,000 ("Equity Financing") (Note 2(c)).
- Execute a debt commitment letter to obtain financing through a non-revolving multiple-draw term loan facility for a maximum principal amount of USD$100,000 (the "Commitment Amount") (Note 2(h))

The unaudited pro forma consolidated financial statements are based on the historical consolidated financial statements of Discovery and the historical combined financial statements of Porcupine, adjusted to give effect to the Transaction, and should be read in conjunction with the historical financial statements from which they are derived. Pro forma adjustments are limited to the Transaction accounting adjustments that reflect the accounting for Discovery's acquisition of Porcupine and adjustments of the related financings in accordance with IFRS accounting standards.

The unaudited pro forma consolidated financial statements are presented in Canadian dollars ("CAD"), the presentation currency of Discovery, and prepared in accordance with IFRS accounting standards. The Transaction has been accounted for in the unaudited pro forma consolidated financial statements using the acquisition method under IFRS 3, Business Combinations ("IFRS 3"). Since Porcupine's historical combined financial statements are presented in United States dollars ("USD") and prepared in accordance with accounting principles generally accepted in the United States of America ("US GAAP"), the historical financial information of Porcupine used in the pro forma statements has been converted to IFRS accounting standards and translated into CAD, which is the presentation currency of Discovery (Note 4).

The unaudited pro forma consolidated statement of financial position gives effect to the Transaction as if it had occurred on September 30, 2024, as described in Note 2. The unaudited pro forma consolidated statement of profit (loss) and total comprehensive income (loss) gives effect to the Transaction as if it had occurred on January 1, 2023.

The accompanying unaudited pro forma consolidated statement of financial position as at September 30, 2024, the unaudited pro forma consolidated statement of profit (loss) and total comprehensive income (loss) for the nine-month period ended September 30, 2024, and the unaudited pro-forma consolidated statement of profit (loss) and total comprehensive income (loss) for the year ended December 31, 2023, have been prepared from the information derived from, and should be read in conjunction with:

- Unaudited condensed interim consolidated financial statements of Discovery for the three and nine months ended September 30, 2024 and 2023;
- Unaudited condensed combined financial statements of Porcupine at and for the quarterly period ended September 30, 2024;
- Audited consolidated financial statements of Discovery for the years ended December 31, 2023 and 2022; and

Expressed in thousands of Canadian dollars, unless otherwise noted

- Audited combined financial statements of Porcupine for the years ended December 31, 2023, and 2022;

The assumptions and estimates underlying the adjustments to the unaudited pro forma consolidated financial statements are described in the accompanying notes.

The pro forma adjustments are preliminary, subject to further revision as additional information becomes available and additional analyses are performed. The pro forma adjustments have been made solely for the purpose of providing unaudited pro forma combined financial information and actual adjustments, when recorded, may differ materially. The pro forma consolidated financial statements have been prepared for illustrative purposes only and may not be indicative of the operating results or financial condition that would have been achieved if the Transaction had been completed on the dates or for the periods presented, nor do they purport to project the results of operations or financial position for any future period or as of any future date. In addition to the pro forma adjustments, various other factors will have an effect on the financial condition and results of operations after the completion of the Transaction. The actual financial position and results of operations may differ materially from the pro forma amounts reflected herein due to a variety of factors.

2. PRO FORMA ADJUSTMENTS AND ASSUMPTIONS

(a) Acquisition of Porcupine

Under the terms of the Share Purchase Agreement, Discovery will acquire 100% of the issued and outstanding common shares of Porcupine.

The identifiable assets acquired and liabilities of Porcupine assumed by Discovery are measured at their fair values at the acquisition date (Note 4). The following table summarizes the fair value of Porcupine's assets acquired and liabilities assumed by Discovery:

Assets acquired	
Trade receivables	1,011
Inventories	60,489
Stockpiles	71,474
Other receivables	24,232
Other current assets	1,542
Total current assets	158,748
Property, plant and mine development	835,535
Stockpiles	19,650
Other non-current assets	1,670
Total assets	1,015,603
Liabilities assumed	
Accounts payable, accrued, and other liabilities	34,400
Employee-related benefits	14,818
Other current liabilities	80,597
Total current liabilities	129,815
Reclamation liabilities	315,553
Deferred income tax liabilities	43,246
Employee-related liabilities	29,170
Total liabilities	517,784
Net assets acquired	**497,819**

Expressed in thousands of Canadian dollars, unless otherwise noted

Consideration consists of the following components:	**USD**	**CAD**
Cash paid upon closing	$200,000	$269,980
Fair value of Discovery shares at $0.98/share (i)	81,868	110,514
Deferred cash consideration (ii)	85,368	115,238
Shares issued for settlement of restricted share units (iii)	890	1,201
Payment of transfer taxes on behalf of acquiree (iv)	655	886
	$368,781	**$497,819**

(i) The share consideration has been calculated based on the issuance of 119,716,667 common shares using Discovery's closing share price of $0.98, which is reflective of the closing price on January 24, 2025. The total share consideration paid will be based on the share price as of the date of closing and may change materially.

(ii) Represents the present value of deferred consideration totalling $202,485 (USD$150,000) payable in four tranches on each of December 31, 2027, December 31, 2028, December 31, 2029 and December 31, 2030 discounted at a rate of 12.8% and converted at the period end spot rate of 1.3499, reflected at the present value of $115,238 (USD$85,368) above.

(iii) As part of the terms of the Transaction, existing restricted share units ("RSUs") of Porcupine will be settled by issuing the equivalent value in shares of Discovery.

(iv) In accordance with the share purchase agreement, Discovery is required to pay the land transfer tax on behalf of Porcupine as part of the Transaction. This amount has been included in other current liabilities in the unaudited pro forma consolidated statement of financial position.

This purchase price allocation ("PPA") is preliminary and will be finalized following the effective date of the Transaction when the valuation analysis is complete. It is assumed that the carrying values of Porcupine's assets and liabilities as at September 30, 2024 approximate fair value except for inventories, stockpiles, mineral properties and reclamation liabilities. The final figures could be materially different to those presented in these unaudited pro forma financial statements. Associated transaction costs are expensed and noted in Note 2(f).

The increase to Porcupine's inventories and stockpiles of $40,756 reflects fair value adjustments based on the estimated selling price of inventory, less the remaining production and selling costs and a normal profit margin based on those production and selling efforts.

The net decrease of $422,278 in Porcupine's reclamation liability includes a $1,016 decrease to the current portion, presented in other current liabilities, as well as a $421,262 decrease to the long-term portion, presented as reclamation liabilities. The net decrease reflects fair value adjustments based on the estimated cash flows required to settle the obligation discounted at a rate of 7.0% which is estimated to be Porcupine's after-tax cost of debt. The estimated cash flows include recoverable income taxes related to reclamation expenses.

The decrease to property, plant and mine development of $1,108,457 relates to fair value adjustments to the mineral properties of Porcupine based on the estimated free cash flows generated over the life of the mine discounted at a rate of 22.1%. The 22.1% discount rate is based on the internal rate of return for the Transaction, as well as the weighted average cost of capital.

As a result of the Transaction, Porcupine's shareholder's equity, consisting of net parent investment and accumulated other comprehensive (loss) income, has been eliminated in full.

The income tax adjustments to the pro forma balance sheet result in an overall decrease in the deferred income tax liabilities of $187,266 due to Porcupine's decrease in taxable temporary differences driven primarily by fair value decreases in property, plant and mine development and recognition of a deferred tax asset arising from vendor pre-closing transaction tax planning. These were offset by fair value increases in inventory and stockpiles, fair value decreases in reclamation liabilities, and the initial recognition of the taxable temporary difference on deferred cash consideration.

Expressed in thousands of Canadian dollars, unless otherwise noted

(b) Net smelter return royalty agreement

Reflects expected proceeds received of $404,970 (USD$300,000) to be used for the Transaction and for general working capital purposes converted at the September 30, 2024, period end spot rate of 1.3499.

The royalty shall be payable as in-kind credit in the form of refined gold and refined silver, unless the payee, at its option, elects to receive all or a portion of the royalty as a cash payment. The royalty shall be a rate of 4.25% of net smelter returns in perpetuity at all times prior to the date on which the payee has received in-kind credits of refined gold or silver or cash payments from Discovery in an amount in aggregate equivalent to 72,000 ounces of gold (the “Early Reduction Date”) or the date that Discovery exercises on one single occasion to purchase an undivided 2.00% of the royalty (“Early Reduction Option”). The Early Reduction Option is only exercisable prior to the Early Reduction Date for aggregate consideration equal to the amount required for the payee to realize an unlevered 12% (annual) before tax internal rate of return on USD$100,000 (commencing as of the execution date), taking into account the credits/payments received by the payee on account of the royalty as of such date (“Early Reduction Purchase Price”). At all times following either the Early Reduction Date or the completion of the Early Reduction Option, the royalty shall be a rate of 2.25% of net smelter returns in perpetuity. The current portion of the net smelter return royalty liability of $32,832 reflects the expected payments which would have occurred in the twelve months following September 30, 2024.

(c) Equity Financing

Reflects the expected issuance of 250,000,000 common shares of Discovery for gross proceeds of $225,000 (USD$155,000) through the conversion of subscription receipts which entitles the holder to receive one common share of Discovery upon closing of the Transaction for each subscription receipt held, converted at the January 27, 2025 spot rate of 1.4516. Estimated transaction costs of $9,855 have been included as a share issuance cost resulting in net proceeds of $215,145.

(d) Depreciation and amortization

Adjusts depreciation and amortization as a result of the decrease to property, plant and mine development of $1,108,457 as described in Note 2(a). The following table summarizes the changes in the estimated depreciation expense for property, plant and mine development in Porcupine’s adjusted unaudited condensed combined statement of operations and statement of comprehensive income (loss) for the nine months ended September 30, 2024 and in Porcupine’s combined statement of operations and statement of comprehensive income (loss) for the year ended December 31, 2023:

		Historical depreciation and amortization	Estimated depreciation and amortization	Pro forma adjustment
For the nine months ended September 30, 2024	$	149,427	102,460	(46,967)
For the year ended December 31, 2023	$	162,945	105,253	(57,692)

Expressed in thousands of Canadian dollars, unless otherwise noted

(e) NSR subsequent measurement

Reflects the accretion expense relating to the net smelter return royalty liability had it existed beginning on January 1, 2023. The Net smelter return royalty is expected to meet the definition of a financial liability measured at amortized cost using the effective interest rate method. The accretion expense adjusted for in the pro forma consolidated statement of profit (loss) and total comprehensive income (loss) represents the effective interest rate of the net smelter return royalty liability of 3.7%.

(f) Transaction costs

Recognized in the pro forma consolidated statement of financial position and the pro forma consolidated statement of profit (loss) and total comprehensive income (loss) for the year ended December 31, 2023 is $22,100 of nonrecurring transaction costs directly related to the Transaction that are expected to be incurred subsequent to September 30, 2024.

(g) Reclamation

Adjusts Porcupine's accretion expense as a result of the net decrease to reclamation liability of $421,262 as described in Note 2(a). The following table summarizes the changes in the estimated reclamation expense in Porcupine's adjusted unaudited condensed combined statement of operations and statements of total comprehensive income (loss):

		Historical reclamation	Estimated reclamation	Pro forma adjustment
For the nine months ended September 30, 2024	$	23,491	15,438	(8,053)
For the year ended December 31, 2023	$	166,021	155,484	(10,537)

(h) Term Facility

The term facility shall bear interest at the Secured Overnight Financing Rate ("SOFR") plus 450 basis points per annum and matures 7 years from the date of execution ("Term Facility"). Discovery shall have the right to draw under the Term Facility in advances of at least USD$5,000 for a period of 2 years from the closing of the Term Facility (the "Availability Period") up to the Commitment Amount. Any unutilized portion of the Commitment Amount as of the end of the Availability Period will be permanently cancelled. The first principal payment will not be due until March 31, 2029, at which time quarterly repayments equal to 5% of the aggregate principal amount outstanding at the end of the Availability Period shall be due. Any principal amount and any accrued and unpaid interest remaining outstanding on the maturity date shall be due and payable. In consideration of the lender making the Term Facility available to Discovery, Discovery shall pay an upfront fee equal to 2% of the principal amount of each advance, payable prior to or at the time of each advance. In addition, Discovery shall issue 3,900,000 warrants to the lender, with an exercise price equal to $0.95 Each warrant is exercisable into one common share, which shall have a term of 3 years from the date of issuance. The Term Facility includes a standby fee at a rate of 100bps per annum, calculated daily on the unutilized and uncalled portion of the Commitment Amount until the expiry of the Availability Period.

Expressed in thousands of Canadian dollars, unless otherwise noted

No adjustment has been made to reflect proceeds received under as Discovery does not intend to draw under the Term Facility during the Availability Period. However, transaction costs totalled $2,021 representing the fair value of 3,900,000 warrants issued to the lender at an exercise price of $0.95 per common share and has been included. As at September 30, 2024, $1,011 has been recognized as Other current assets and $1,010 as Other non-current assets to be recognized on a straight-line basis over the Availability Period of the term facility of 2 years. This results in amortization expense of the transaction costs of $758 for the nine months ended September 30, 2024 and $1,011 for the year ended December 31, 2023. The standby fee has been calculated based on an unutilized and uncalled portion of the Commitment amount of USD$100,000 for the relevant period.

The fair values of the warrants issued to the lender are calculated using the Black Scholes model, using the following assumptions:

Volatility	77.75%
Dividend yield	0%
Risk-free interest rate	2.90%
Expected term	3 years

(i) Cost of sales

After the Transaction, the $8,163 step-up in inventory value and the $32,593 step-up in stockpiles value will increase cost of sales over the following twelve months as the inventory is sold, which is reflected in the Pro Forma consolidated statement of profit (loss) and total comprehensive income (loss) for the year ended December 31, 2023.

(j) Income tax

The pro forma income and mining tax expense (recovery) adjustments to the pro forma consolidated statement of profit (loss) and total comprehensive income (loss) of ($20,167) for the nine months ended September 30, 2024 relate primarily to the vendor pre-closing transaction tax planning offset by fair value decreases in property, plant and mine development and reclamation liabilities as described in Note 2(a).

The pro forma income and mining tax expense (recovery) adjustments to the pro forma consolidated statement of profit (loss) and total comprehensive income (loss) of $5,327 for the year ended December 31, 2023, relate to the fair value decreases in property, plant and mine development and reclamation liabilities noted above offset by the accretion recognized on the net smelter return royalty agreement as described further in Note 2(b) and the increase in cost of sales as described further in Note 2(i).

Expressed in thousands of Canadian dollars, unless otherwise noted

3. PRO FORMA SHARE CAPITAL

A reconciliation of the number of outstanding shares of Discovery is as follows:

		No. of shares
Common shares of Discovery as at September 30, 2024		400,226,881
Issuance of common shares to acquire Porcupine	*2(a)*	119,716,667
Issuance of common shares relating to the Equity Financing	*2(c)*	250,000,000
Issuance of common shares relating to settlement of RSUs	*2(a)*	1,301,929
Total pro-forma common shares of Discovery as at September 30, 2024		771,245,477

Pro forma basic and diluted earnings per share is calculated as follows:

	September 30, 2024	December 31, 2023
Historical Discovery basic weighted average shares	399,537,915	382,703,062
Incremental shares issued to acquire Porcupine	119,716,667	119,716,667
Incremental shares issued relating to the Equity Financing	250,000,000	250,000,000
Incremental shares issued relating to the settlement of RSUs	1,301,929	1,301,929
Pro forma combined basic weighted average shares	770,556,511	753,721,658
Impact of dilutive instruments	9,332,610	-
Pro forma combined diluted weighted average shares	779,889,121	753,721,658

On a pro forma basis, the combined company incurred a net loss for the year ended December 31, 2023. As such, all potential shares are excluded from the calculation of pro forma diluted loss per share because they are anti-dilutive.

Basic and diluted earnings (loss) per share has been calculated, assuming all common shares outstanding following the Transaction have been outstanding throughout all periods presented.

4. ADJUSTMENTS TO THE HISTORICAL FINANCIAL INFORMATION OF PORCUPINE

The historical financial information of Porcupine was prepared in accordance US GAAP and presented in USD. The historical financial information was translated from USD to CAD, the presentation currency of the combined entity, using the following historical exchange rates:

	USD to CAD
Period end exchange rate as at September 30, 2024	1.3499
Average exchange rate for the nine-month period ended September 30, 2024	1.3604
Average exchange rate for the year ended December 31, 2023	1.3497

Expressed in thousands of Canadian dollars, unless otherwise noted

The table below presents the conversion from US GAAP to IFRS accounting standards adjustments of Porcupine's adjusted unaudited condensed combined balance sheet as at September 30, 2024:

	US GAAP			IFRS	
	Porcupine USD	US GAAP to IFRS differences USD	Notes	Porcupine USD	Porcupine CAD
Assets					
Current assets					
Trade receivables	$ 749	$ –		$ 749	$ 1,011
Inventories	38,763	–		38,763	52,326
Stockpiles	28,803	–		28,803	38,881
Other receivables	17,951	–		17,951	24,232
Other current assets	1,142	–		1,142	1,542
Total current assets	87,408	–		87,408	117,992
Non-current assets					
Property, plant and mine development	1,412,282	27,819	4(a)	1,440,101	1,943,992
Stockpiles	14,557	–		14,557	19,650
Other-non current assets	1,235	–		1,235	1,670
Total non-current assets	1,428,074	27,819		1,455,893	1,965,312
Total assets	$1,515,482	$ 27,819		$ 1,543,301	$ 2,083,304
Liabilities					
Current liabilities					
Accounts payable, accrued, and other liabilities	$ 25,483	$ –		$ 25,483	$ 34,400
Employee-related benefits	10,977	–		10,977	14,818
Income and mining taxes	20,908	–		20,908	28,224
Other current liabilities	59,977	1,138	4(a)	61,115	82,499
Total current liabilities	117,345	1,138		118,483	159,941
Non-current liabilities					
Reclamation liabilities	519,148	26,681	4(a)	545,829	736,815
Deferred income tax liabilities	166,398	4,364	4(d)	170,762	230,512
Employee-related liabilities	21,609	–		21,609	29,170
Total non-current liabilities	707,155	31,045		738,200	996,497
Total liabilities	824,500	32,183		856,683	1,156,438
Shareholder's equity					
Accumulated other comprehensive income	273	–		273	369
Net parent investment	690,709	(4,364)		686,345	926,497
Total shareholder's equity	690,982	(4,364)		686,618	926,866
Total liabilities and shareholder's equity	$ 1,515,482	$ 27,819		$ 1,543,301	$ 2,083,304

Expressed in thousands of Canadian dollars, unless otherwise noted

The table below presents the conversion from US GAAP to IFRS accounting standards adjustments of Porcupine's adjusted unaudited condensed combined statement of operations and statement of comprehensive income (loss) for the nine months ended September 30, 2024:

	US GAAP			IFRS	
	Porcupine USD	US GAAP to IFRS Difference USD	Notes	Porcupine USD	Porcupine CAD
Revenues					
Sales	$ 503,451	$ –		$ 503,451	$ 684,895
Expenses					
Costs applicable to sales (1)	235,932	–		235,932	320,962
Depreciation and amortization	107,340	2,501	4(b)	109,841	149,427
Reclamation	19,086	(1,819)	4(c)	17,267	23,491
Exploration	3,215	–		3,215	4,374
Advanced projects, research and development	4,655	–		4,655	6,333
General and administrative	12,584	–		12,584	17,119
Impairment charges	9	–		9	12
Other expenses	706	–		706	960
	383,527	682		384,209	522,678
Other income, net	1,675	–		1,675	2,279
Income before income and mining tax and other items	121,599	(682)		120,917	164,496
Income and mining tax (expense) benefit	(34,148)	499	4(d)	(33,649)	(45,776)
Net loss	$ 87,451	(183)		$ 87,268	118,720
Other comprehensive income					
Change in pension benefits, net of tax	(33)	–		(33)	(45)
Other comprehensive income	(33)	–		(33)	(45)
Total net loss and comprehensive income	$ 87,484	$ (183)		$ 87,301	$ 118,765

(1) Excludes Depreciation and Amortization

The table below presents the conversion from US GAAP to IFRS accounting standards adjustments of Porcupine's adjusted unaudited condensed combined statement of operations and statement of comprehensive income (loss) for the year ended December 31, 2023:

	US GAAP			IFRS	
	Porcupine USD	US GAAP to IFRS Difference USD	Notes	Porcupine USD	Porcupine CAD
Revenues					
Sales	$ 502,776	$ –		$ 502,776	$ 678,597
Expenses					
Costs applicable to sales (1)	302,272	–		302,272	407,977
Depreciation and amortization	117,392	3,334	4(b)	120,726	162,945
Reclamation	117,895	5,111	4(c)	123,006	166,021
Exploration	13,031	–		13,031	17,588
Advanced projects, research and development	8,658	–		8,658	11,686
General and administrative	12,804	–		12,804	17,282
Impairment charges	4,800	–		4,800	6,479
Other expenses (income), net	744	–		744	1,004
	577,596	8,445		586,041	790,982
Other income, net	1,327	–		1,327	1,791
Loss before income and mining tax and other items	(73,493)	(8,445)		(81,938)	(110,594)
Income and mining tax benefit	20,862	1,848	4(d)	22,710	30,652
Net loss	$ (52,631)	$ (6,597)		$ (59,228)	$ (79,942)
Other comprehensive (income) loss					
Change in pension benefits, net of tax	2,034	–		2,034	2,745
Other comprehensive (income) loss	2,034	–		2,034	2,745
Total comprehensive (income) loss	$ (54,665)	$ (6,597)		$ (61,262)	$ (82,687)

(1) Excludes Depreciation and Amortization

(a) Reclamation liabilities and Property, Plant and Mine Development

Adjusts Porcupine's reclamation liability to reflect the use of a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the liability as at September 30, 2024 as required under IFRS accounting standards. The projected cash flows required to settle the obligation have been discounted at a pre-tax discount rate of 4.19% which resulted in an overall increase to the reclamation liability of USD$27,819 (reflected by an increase in other current liabilities of USD$1,138 and an increase in non-current reclamation liabilities of USD$26,681). The increase in the reclamation liability has been adjusted against the property, plant and mine development assets to which it relates.

(b) Depreciation and amortization

Adjusts Porcupine's depreciation and amortization as a result of the increase to property, plant and mine development of USD$27,819 as described in Note 4(a). The following table summarizes the changes in the estimated depreciation expense for property, plant and mine development in Porcupine's adjusted unaudited condensed combined statement of operations and statements of comprehensive income (loss) in thousands of US dollars:

	Historical depreciation and amortization	Estimated depreciation and amortization	US GAAP to IFRS adjustment
For the nine months ended September 30, 2024	USD$ 107,340	109,841	2,501
For the year ended December 31, 2023	USD$ 117,392	120,726	3,334

(c) Reclamation

Adjusts Porcupine's accretion expense as a result of the decrease to reclamation liabilities of USD$27,819 as described in Note 4(a). The following table summarizes the changes in the estimated reclamation expense in Porcupine's adjusted unaudited condensed combined statement of operations and statements of comprehensive income (loss) in thousands of US dollars:

	Historical reclamation	Estimated reclamation	US GAAP to IFRS adjustment
For the nine months ended September 30, 2024	USD$ 19,086	17,267	(1,819)
For the year ended December 31, 2023	USD$ 117,895	123,006	5,111

(d) Income taxes

For the purposes of the US GAAP to IFRS adjustments Porcupine's effective income tax rate was 31.4% for the year ended September 30, 2024; for the nine months ended September 30, 2024; and for the year ended December 31, 2023. The effective income tax rate was used in determining adjustments to:

- Increase deferred tax liability by USD$4,364 as at September 30, 2024 as a result of the adjustments to reclamation liabilities and property, plant, and mine development as described in Note 4(a); and
- Decrease income and mining tax expense by USD$499 for the nine-months ended September 30, 2024 and increase income and mining tax benefit by USD$1,848 for the year ended December 31, 2023 as a result of the adjustments to depreciation and amortization and reclamation as described in Note 4(b) and (c).

SCHEDULE "D"
FAIRNESS OPINION

CIBC CAPITAL MARKETS

January 26, 2025

The Special Committee of the Board of Directors
of Discovery Silver Corp.
#701 - 55 University Ave,
Toronto, Ontario,
Canada, M5J 2H7

To the Special Committee of the Board of Directors:

CIBC World Markets Inc. ("CIBC", "we", "us" or "our") understands that Discovery Silver Corp. ("Discovery" or the "Company") is proposing to enter into a share purchase agreement (the "Definitive Agreement") with Newmont Corporation ("Newmont") providing for, among other things, the acquisition of 100% of Newmont's rights, title and interest in and to the Hollinger mine, the Hoyle Pond mine, the Borden mine, the Pamour open pit and the Dome mill (the "Porcupine Complex") based in and near Timmins, Ontario, Canada (the "Proposed Transaction").

We understand that pursuant to the Definitive Agreement:

a) Discovery will acquire from a wholly-owned subsidiary of Newmont (the "Subsidiary") all of the issued and outstanding common shares of a newly created entity (the "Porcupine Entity") formed to hold 100% of Newmont's interest in the Porcupine Complex, in exchange for consideration (the "Consideration") consisting of:
   - US$200 million in cash, payable upon closing;
   - US$75 million payable in common shares of Discovery, payable on closing; and
   - US$150 million in deferred cash consideration, comprised of four annual cash payments of US$37.5 million, commencing on December 31, 2027; and

b) the completion of the Proposed Transaction will be conditional upon, among other things, the transfer of the Porcupine Complex by the Subsidiary to the Porcupine Entity (with the Reorganization being subject to certain approvals, including the consent of Ontario's Ministry of Mines), receipt of all required regulatory approvals (including the approval of the Toronto Stock Exchange ("TSX") and approval, or expiry of the waiting period, under the Competition Act (Canada)), and other customary closing conditions for a transaction of this nature.

Engagement of CIBC

By letter agreement dated January 26, 2025, (the "Engagement Agreement"), the Company retained CIBC to act as financial advisor to the special committee appointed by the Board of Directors (the "Special Committee") in connection with the Proposed Transaction. Pursuant to the Engagement Agreement, the Company has requested that we prepare and deliver to the Board of Directors our written opinion (the "Opinion") as to the fairness, from a financial point of view, of the Consideration to be paid by the Company pursuant to the Definitive Agreement.

CIBC will be paid a fixed fee for rendering the Opinion. The Company has also agreed to reimburse CIBC for its reasonable out-of-pocket expenses and to indemnify CIBC in respect of certain liabilities that might arise out of our engagement.

In the ordinary course of its business and in respect of the Proposed Transaction, Canadian Imperial Bank of Commerce or an affiliate thereof will act as an underwriter to obtain financing in the equity capital markets for the Company in connection with the Proposed Transaction.

Credentials of CIBC

CIBC is one of Canada's largest investment banking firms with operations in all facets of corporate and government finance, mergers and acquisitions, equity and fixed income sales and trading and investment research. The Opinion expressed herein is the opinion of CIBC and the form and content herein have been approved for release by a committee of its managing directors and internal counsel, each of whom is experienced in merger, acquisition, divestiture and valuation matters.

Scope of Review

In connection with rendering our Opinion, we have reviewed and relied upon, among other things, the following:

i) a draft dated January 25, 2025 of the Definitive Agreement;
ii) a draft dated January 6, 2025 of the Preliminary Economic Assessment ("PEA") study for the Porcupine Complex;
iii) the annual reports, including the comparative audited financial statements and management's discussion and analysis, of the Company for the fiscal years ended December 31, 2023;
iv) the annual reports, including the comparative audited financial statements and management's discussion and analysis, of Newmont for the fiscal years ended December 31, 2023;
v) the interim reports, including the comparative unaudited financial statements and management's discussion and analysis, of the Company for the three and nine months ended September 30, 2024;
vi) the interim reports, including the comparative unaudited financial statements and management's discussion and analysis, of Newmont for the three and nine months ended September 30, 2024;
vii) certain internal financial, operational, corporate and other information prepared or provided by the management of the Company, including internal operating and financial budgets and projections;
viii) certain internal financial, operational, corporate and other information prepared or provided by the management of Newmont, including internal operating and financial budgets and projections;
ix) selected public market trading statistics and relevant financial information of the Company, Newmont, and other selected public companies considered by us to be relevant;
x) selected financial statistics and relevant financial information with respect to relevant precedent transactions;
xi) selected relevant reports published by equity research analysts and industry sources regarding the Company, Newmont, the Porcupine Complex, the precious metals industry and other public companies, to the extent deemed relevant by us;

xii) a certificate addressed to us, dated as of the date hereof, from two senior officers of the Company, as to the completeness and accuracy of the Information (as defined below); and

xiii) such other information, analyses, investigations, and discussions as we considered necessary or appropriate in the circumstances.

In addition, we have participated in discussions with members of the senior management of the Company regarding its past and current business operations, financial condition and future prospects. We have also participated in discussions with Bennett Jones LLP, external legal counsel to the Company, concerning the Proposed Transaction, the Definitive Agreement and related matters.

Assumptions and Limitations

Our Opinion is subject to the assumptions, qualifications and limitations set forth below.

We have not been asked to prepare and have not prepared a formal valuation or appraisal of any of the assets or securities of the Company, Newmont, the Porcupine Complex or any of their respective affiliates and our Opinion should not be construed as such, nor have we been requested to identify, solicit, consider or develop any potential alternatives to the Proposed Transaction.

With your permission, we have relied upon, and have assumed the completeness, accuracy and fair presentation of all financial and other information, data, advice, opinions and representations obtained by us from public sources, or provided to us by the Company or Newmont or its affiliates or advisors or otherwise obtained by us pursuant to our engagement, and our Opinion is conditional upon such completeness, accuracy and fair presentation. We have not been requested to or attempted to verify independently the accuracy, completeness or fairness of presentation of any such information, data, advice, opinions and representations. We have not met separately with the independent auditors of the Company in connection with preparing this Opinion and with your permission, we have assumed the accuracy and fair presentation of, and relied upon, the Company's audited financial statements and the reports of the auditors thereon and the Company's interim unaudited financial statements.

With respect to the historical financial data, operating and financial forecasts and budgets provided to us concerning the Company and the Porcupine Complex and relied upon in our financial analyses, we have assumed that they have been reasonably prepared on bases reflecting the most reasonable assumptions, estimates and judgments of management of the Company, having regard to the business, plans, financial condition and prospects of the Company or the Porcupine Complex.

We have also assumed that all of the representations and warranties contained in the Definitive Agreement are correct as of the date hereof and that the Proposed Transaction will be completed substantially in accordance with its terms and all applicable laws and that the management information circular prepared by the Company will disclose all material facts relating to the Proposed Transaction and will satisfy all applicable legal requirements.

The Company has represented to us, in a certificate of two senior officers of the Company dated the date hereof, among other things, that the information, data and other material (financial or otherwise) provided to us by or on behalf of the Company, including the written information and discussions concerning the Company and the Porcupine Complex referred to above under the heading "Scope of Review" (collectively, the "Information"), are complete and correct at the date the Information was provided to us and that, since the date on which the Information was provided to us, there has been no material change, financial or otherwise, in the financial condition, assets, liabilities (contingent or otherwise), business, operations or prospects of the Porcupine Complex, the Company or any of its affiliates and no material change has occurred in the Information or any part thereof which would have or which would reasonably be expected to have a material effect on the Opinion.

We are not legal, tax or accounting experts and we express no opinion concerning any legal, tax or accounting matters concerning the Proposed Transaction or the sufficiency of this letter for your purposes.

Our Opinion is rendered on the basis of securities markets, economic and general business and financial conditions prevailing as at the date hereof and the conditions and prospects, financial and otherwise, of the Company and the Porcupine Complex as they are reflected in the Information and as they were represented to us in our discussions with management of the Company and its affiliates and advisors. In our analyses and in connection with the preparation of our Opinion, we made numerous assumptions with respect to industry performance, general business, markets and economic conditions and other matters, many of which are beyond the control of any party involved in the Proposed Transaction.

The Opinion is being provided to the Special Committee for its exclusive use only in considering the Proposed Transaction and may not be published, disclosed to any other person, relied upon by any other person, or used for any other purpose, without the prior written consent of CIBC. Our Opinion is not intended to be and does not constitute a recommendation to the Board of Directors as to whether they should approve the Definitive Agreement nor as a recommendation to any shareholder of the Company as to how to vote or act at any special meeting of the shareholders of the Company to be held to consider the Proposed Transaction or as an opinion concerning the trading price or value of any securities of Discovery following the announcement or completion of the Proposed Transaction.

CIBC believes that its financial analyses must be considered as a whole and that selecting portions of its analyses and the factors considered by it, without considering all factors and analyses together, could create a misleading view of the process underlying the Opinion. The preparation of a fairness opinion is complex and is not necessarily susceptible to partial analysis or summary description and any attempt to carry out such could lead to undue emphasis on any particular factor or analysis.

The Opinion is given as of the date hereof and, although we reserve the right to change or withdraw the Opinion if we learn that any of the information that we relied upon in preparing the Opinion was inaccurate, incomplete or misleading in any material respect, we disclaim any obligation to change or withdraw the Opinion, to advise any person of any change that may come to our attention or to update the Opinion after the date of this Opinion.

Should this Opinion be executed in any other language, the English version of this Opinion shall be controlling in all respects and any other version is provided solely as a translation. In the event of any inconsistency between the versions, the English version of this Opinion shall prevail.

Opinion

Based upon and subject to the foregoing and such other matters as we considered relevant, it is our opinion, as of the date hereof, that the Consideration to be paid by the Company pursuant to the Definitive Agreement is fair, from a financial point of view, to the Company.

Yours very truly,

CIBC World Markets Inc.

TAKE ACTION AND VOTE TODAY.

The Board of Directors of Discovery Silver Corp. UNANIMOUSLY recommends that shareholders vote FOR the Share Issuance Resolution.

Vote well in Advance of the Proxy Deadline on March 25, 2025, at 11:00 a.m. (Toronto Time)

QUESTIONS MAY BE DIRECTED TO THE PROXY SOLICITATION AGENT AND SHAREHOLDER COMMUNICATIONS ADVISOR

LH LAUREL HILL

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