HEMLO MINING CORP.

ANNUAL INFORMATION FORM

FOR THE FINANCIAL YEAR ENDED DECEMBER 31, 2025

Dated April 15, 2026

TABLE OF CONTENTS

PRELIMINARY NOTES

In this Annual Information Form, (the "**Annual Information Form**" or "**AIF**"), Hemlo Mining Corp. is referred to as the "**Corporation**", "**Hemlo**" or "**HMMC**". Unless the context otherwise indicates, these references include the subsidiaries described under "*Corporate Structure - Intercorporate Relationships*", below.

Date

All information contained herein is as at and for the year ended December 31, 2025 unless otherwise specified.

Currency and Exchange Rate Information

This AIF contains references to United States dollars and Canadian dollars. The Corporation's functional currency is the United States dollar, referred to herein as "**$**" or "**US$**". Any amounts reported herein in Canadian dollars are referred to as "**C$**".

The following table sets forth: (i) the rates of exchange for U.S. dollars expressed in Canadian dollars in effect at the end of the periods indicated; (ii) the average exchange rates in effect during such periods; (iii) the high rate of exchange in effect during such periods; and (iv) the low rate of exchange in effect during such periods, such rates, in each case, based on the daily average exchange rate for conversion of one U.S. dollar to Canadian dollars as reported by the Bank of Canada.

	Year Ended December 31, 2025(1)	Year Ended December 31, 2024(1)	Year Ended December 31, 2023(1)
Period End	1.3706	1.4389	1.3226
Average	1.3978	1.3698	1.3497
High	1.4603	1.4416	1.3875
Low	1.3558	1.3316	1.3128

Note:
(1) Exchange rate based on the daily average rate of exchange as reported by the Bank of Canada.

On April 14, 2026, the Canadian dollar to U.S. dollar daily exchange rate was C$1.3757 to US$1.00 (as per the Bank of Canada's daily exchange rate).

Cautionary Statement Regarding Forward-Looking Statements

This AIF contains forward-looking statements and forward-looking information within the meaning of applicable Canadian securities laws (hereinafter collectively referred to as "**forward-looking statements**"), which are based on expectations, estimates and projections as of the date hereof.

Statements concerning estimates of mineral resources (as defined herein) and mineral reserves (as defined herein) may also be deemed to constitute forward-looking statements to the extent that they involve estimates of the mineralization that will be encountered if the property is developed, and in the case of mineral reserves, such statements reflect the conclusion based on certain assumptions that the mineral deposit can be economically and legally exploited. Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance (often, but not always, using words or phrases such as "expects" or "does not expect", "is expected", "anticipates" or "does not anticipate", "plans", "estimates" or "intends", or stating that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved) are not statements of historical fact and may be forward-looking statements.

Forward-looking statements made in this AIF include, but are not limited to, statements with respect to:

- the expected benefits to be derived from the acquisition of the Hemlo Mine (as defined herein);
- future payments due in consideration of the acquisition of the Hemlo Mine;
- anticipated operational results from the Hemlo Mine;
- the timing of mine plans and exploration programs at the Hemlo Mine;
- expectations regarding the presence and continuity of mineral deposits;
- anticipated tonnages and grades of mineral resources and mineral reserves;
- the Corporation's ability to cover any debt obligations;
- the capacities of various machinery and equipment;
- the availability of personnel, machinery and equipment at estimated prices;
- anticipated mining losses and dilution;
- currency exchange rates;
- appropriate discount rates;
- tax rates applicable to the Hemlo Mine;
- expectations regarding environmental or social issues that may affect exploration, development or operations;
- the anticipated impacts and benefits of social programs at the Hemlo Mine;
- future environmental and social initiatives and plans;
- exploration activities and/or plans at the Hemlo Mine.

Forward-looking statements are subject to a variety of inherent risks and uncertainties, both general and specific, which could cause actual events or results to differ materially from those reflected in the forward-looking statements. These factors, including, but not limited to, those factors discussed herein under "*Risk Factors*", should be considered carefully, and include:

- risks related to reliance on management;
- political risks;
- risks related to international conflict, geopolitical instability and war;
- risks related to the volatility of share prices;
- liquidity risks;
- risks that the price of the Hemlo Shares may be affected by factors unrelated to its operations;

- risks related to precious metals and other commodity price fluctuations;
- risks related to market conditions generally;
- inflation risk;
- dilution risk;
- risks related to technological change and evolving industry standards;
- risks related to the ability of Hemlo to obtain financing required to support its ongoing operations, capital expenditures or growth initiatives;
- competition risk;
- risks related to the Corporation's reliance on key inputs and dependence on skilled labour;
- cybersecurity risks;
- risks that limitations on Hemlo's internal controls may lead to misstatements or miscalculations;
- risks related to future acquisitions and mergers and acquisitions;
- risks related to the Corporation's ability to respond to growth;
- litigation risk;
- risks related to evolving anti-corruption laws;
- risks related to outbreaks of diseases and public health crises;
- risks related to the Corporation having not declared a dividend and not anticipating doing so in the foreseeable future;
- inherent risks associated with the business of production, operating and mineral exploration and risks associated with the operation of mines;
- risks related to the degree of uncertainty attributable to the calculation of mineralization, resources and reserves and corresponding grades;
- risks that underlying property commitments, such as royalties, can affect the Corporation's results of operations and financial condition;
- risks related to undetected defects in title;
- risks related to indigenous title and rights claims and community relationships;
- risks related to permits, licenses and approvals;
- risks related to the Hemlo Mine (as defined herein) being the Corporation's only mineral property;
- risks related to regulatory matters and changes in laws, regulations and guidelines, including risks related to environmental and employee health and safety regulations;

- risks related to unknown environmental risks existing from past activities and environmental hazards generally;

- risks related to climate change's effect on the Corporation's operations;

- risks related to seismic activity;

- risks related to the fact that mining, processing, development and exploration activities depend, to one degree or another on adequate infrastructure;

- risks related to uninsured hazards and the fact that insurance may not be able to cover the gamut of risks associated with mineral exploration, development and mining;

- risks related to the start-up of operating activities;

- risks associated with credit facilities;

- risks related to global economic conditions affecting the Corporation's ability to advance the Hemlo Mine;

- risks related to currency and exchange rate fluctuations;

- risks associated with the reliance on counterparties to perform third-party service contracts;

- risks related to the ability to effect service of process on some of the directors;

- risks related to potential director and officer conflicts of interest;

- risks related to the regulatory and compliance costs of being a public company; and

- risks for U.S. shareholders related to the Corporation’s classification as a passive foreign investment company.

Forward-looking statements are based on certain assumptions that the Corporation believes are reasonable, including, but not limited to, the fact that:

- gold and silver prices used in the Hemlo Mine Technical Report (as defined herein) will be sustained or improved;

- actual production levels, operating costs and capital costs at the Hemlo Mine will not differ materially from the Corporation's expectations;

- contracted service providers will perform substantially as agreed;

- any additional financing required by the Corporation to support ongoing operations, sustaining capital expenditures or approved growth initiatives will be available on reasonable terms; and

- the Corporation will not experience any material accident, labour dispute, social disruption or failure of plant or equipment.

Should one or more of these risks and uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described in forward-looking statements. Forward-looking statements are made based on management's judgment, beliefs, estimates and opinions on the date the statements are made, and the Corporation undertakes no obligation to update forward-looking statements if such judgment, beliefs, estimates and opinions or other circumstances should change, other than as required by applicable laws. Accordingly, readers should appreciate the inherent uncertainty of, and not place undue reliance on, forward-looking statements.

NI 43-101 Disclosure

The scientific and technical information contained in this AIF, including geological interpretation and exploration target disclosure has been reviewed and approved by Raphael Dutaut, Ph.D. (P.Geo.), the Corporation's Vice President, Exploration and by Mike Tsafaras (P.Eng.) the Corporation's Vice President, Engineering and Projects, each of whom is a "qualified person" within the meaning of NI 43-101 – *Standards of Disclosure for Mineral Projects* ("**NI 43-101**").

Scientific and technical information presented below under "Mineral Projects" is derived (modified to reflect updates as of the date of this AIF) from the Hemlo Mine Technical Report (as defined herein) prepared for the Corporation for the Hemlo Mine. This information is subject to all the assumptions, qualifications and procedures set out in the Hemlo Mine Technical Report and is qualified in its entirety with reference to the full text of the Hemlo Mine Technical Report, which is available on the Corporation's website and under its SEDAR+ profile at www.sedarplus.ca. Each of the authors of the Hemlo Mine Technical Report is an independent QP applying the test set out in Section 1.5 of NI 43-101.

Conversion Factors

To Convert From	To	Multiply By
Feet	Meters ("**m**")	0.305
Meters	Feet	3.281
Miles	Kilometres ("**km**")	1.609
Kilometres	Miles	0.6214
Acres	Hectares ("**ha**")	0.405
Hectares	Acres	2.471
Grams	Ounces (Troy)	0.03215
Grams/Tonnes	Ounces (Troy)/Short Ton	0.02917
Tonnes (metric)	Pounds	2,205
Tonnes (metric)	Short Tons	1.1023

The following terms, used in this document and in NI 43-101, have been defined as follows (except as indicated) by the Canadian Institute of Mining, Metallurgy and Petroleum ("CIM"), as the *CIM Definition Standards on Mineral Resources and Mineral Reserves:*

"**Mineral Resource**" or "**mineral resource**"	A concentration or occurrence of solid material of economic interest in or on the earth's crust in such form, grade or quality and quantity that there are reasonable prospects for eventual economic extraction. The location, quantity, grade or quality, continuity and other geological characteristics of a Mineral Resource are known, estimated or interpreted from specific geological evidence and knowledge, including sampling.
"**Measured Mineral Resource**" or "**measured mineral resource**"	That part of a Mineral Resource for which quantity, grade or quality, densities, shape, and physical characteristics are estimated with confidence sufficient to allow the application of modifying Factors to support detailed mine planning and final evaluation of the economic viability of the deposit. Geological evidence is derived from detailed and reliable exploration, sampling and testing and is sufficient to confirm geological and

grade or quality continuity between points of observation. A Measured Mineral Resource has a higher level of confidence than that applying to either an Indicated Mineral Resource or an Inferred Mineral Resource. It may be converted to a Proven Mineral Reserve or to a Probable Mineral Reserve.

"**Indicated Mineral Resource**" or "**indicated mineral resource**"	That part of a Mineral Resource for which quantity, grade or quality, densities, shape and physical characteristics are estimated with sufficient confidence to allow the application of Modifying Factors in sufficient detail to support mine planning and evaluation of the economic viability of the deposit. Geological evidence is derived from adequately detailed and reliable exploration, sampling and testing and is sufficient to assume geological and grade or quality continuity between points of observation. An Indicated Mineral Resource has a lower level of confidence than that applying to a Measured Mineral Resource and may only be converted to a Probable Mineral Reserve.
"**Inferred Mineral Resource**" or "**inferred mineral resource**"	That part of a Mineral Resource for which quantity and grade or quality are estimated on the basis of limited geological evidence and sampling. Geological evidence is sufficient to imply but not verify geological and grade or quality continuity. An Inferred Mineral Resource has a lower level of confidence than that applying to an Indicated Mineral Resource and must not be converted to a Mineral Reserve. It is reasonably expected that the majority of Inferred Mineral Resources could be upgraded to Indicated Mineral Resources with continued exploration.
"**Mineral Reserve**" or "**mineral reserve**"	A Mineral Reserve is the economically mineable part of a measured and/or Indicated Mineral Resource. It includes diluting materials and allowances for losses, which may occur when the material is mined or extracted and is defined by studies at pre-feasibility or feasibility level as appropriate that include application of Modifying Factors. Such studies demonstrate that, at the time of reporting, extraction could reasonably be justified. The reference point at which Mineral Reserves are defined, usually the point where the ore is delivered to the processing plant, must be stated. It is important that, in all situations where the reference point is different, such as for a saleable product, a clarifying statement is included to ensure that the reader is fully informed as to what is being reported. The public disclosure of a Mineral Reserve must be demonstrated by a Pre-feasibility study or Feasibility Study.
"**Modifying Factors**"	Modifying Factors are considerations used to convert Mineral Resources to Mineral Reserves. These include, but are not restricted to, mining, processing, metallurgical, infrastructure, economic, marketing, legal, environmental, social and governmental factors.
"**Proven Mineral Reserve**" or "**proven mineral reserve**"	A Proven Mineral Reserve is the economically mineable part of a Measured Mineral Resource. A Proven Mineral Reserve implies a high degree of confidence in the Modifying Factors.
"**Probable Mineral Reserve**" or "**probable mineral reserve**"	The economically mineable part of an indicated, and in some circumstances, a Measured Mineral Resource. The confidence in the Modifying Factors applying to a Probable Mineral Reserve is lower than that applying to a Proven Mineral Reserve.
"**Preliminary Economic Assessment**" or "**scoping study**"	As defined in NI 43-101, a study, other than a Pre-feasibility study or Feasibility study, that includes an economic analysis of the potential viability of Mineral Resources.
"**Pre-feasibility study**" or	A comprehensive study of a range of options for the technical and economic viability of a mineral project that has advanced to a stage where a preferred mining method, in the case of underground mining, or the pit configuration, in the case of an open pit, is

"**preliminary feasibility study**"	established and an effective method of mineral processing is determined. It includes a financial analysis based on reasonable assumptions on the Modifying Factors and the evaluation of any other relevant factors which are sufficient for a Qualified Person, acting reasonably, to determine if all or part of the Mineral Resource may be converted to a Mineral Reserve at the time of reporting. A Pre-feasibility study is at a lower confidence level than a Feasibility Study.
"**Feasibility study**"	A comprehensive technical and economic study of the selected development option for a mineral project that includes appropriately detailed assessments of applicable Modifying Factors together with any other relevant operational factors and detailed financial analysis that are necessary to demonstrate, at the time of reporting, that extraction is reasonably justified (economically mineable). The results of the study may reasonably serve as the basis for a final decision by a proponent or financial institution to proceed with, or finance, the development of the project. The confidence level of the study will be higher than that of a Pre-feasibility study.

CORPORATE STRUCTURE

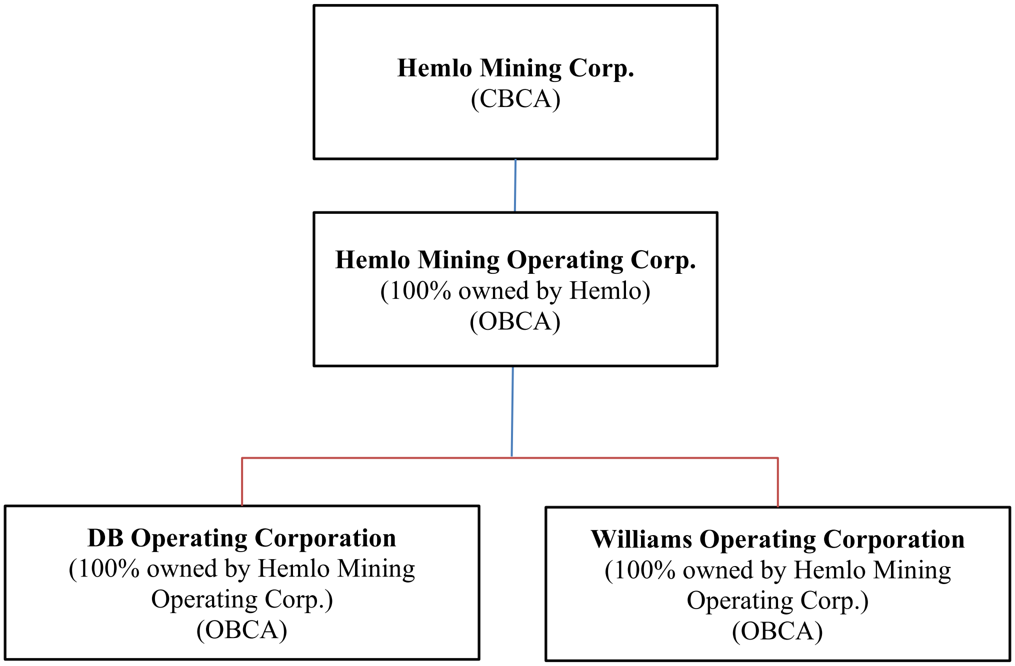
Name, Address and Incorporation

The legal and commercial name of the Corporation is Hemlo Mining Corp. The Corporation was incorporated under the *Business Corporations Act* (Ontario) on April 3, 2008 under the name Colonnade Capital Corp., and on July 14, 2010, changed its name to 3P International Energy Corp. On January 26, 2012, the Corporation changed its name to CUB Energy Inc. and on February 28, 2012, the Corporation continued under the *Canada Business Corporations Act.* The Corporation's name change to CUB Energy Inc. occurred in connection with its completion of a reverse takeover transaction via acquisition of Gastek LLC on March 29, 2012. On December 30, 2022, the Corporation changed its name to Carcetti Capital Corp. in connection with a reorganization of its share capital, including a share consolidation. On November 27, 2025, in connection with its acquisition of the Hemlo Mine (as defined herein), the Corporation amalgamated with its wholly-owned subsidiary, 17276583 Canada Ltd., and changed its name to "Hemlo Mining Corp.".

The Corporation's registered and records office is located at 1200 Waterfront Centre, 200 Burrard Street, Vancouver, British Columbia, V6C 3L6. The Corporation's head office is located at 390 Bay Street, Suite 1720, Toronto, Ontario, M5H 2Y2.

Intercorporate Relationships

The following organizational chart reflects the structure of the Corporation as of the date of this AIF. The Corporation is a management and holding company, with a corporate office located in Toronto, Ontario. Through its wholly-owned subsidiary, Hemlo Mining Operating Corp. (formerly 1554943 B.C. Ltd.) ("**HMOC**"), it holds a 100% interest in the Hemlo Mine. The operating activities of the Hemlo Mine are conducted by Williams Operating Corporation. DB Operating Corporation has no employees or operations.



DESCRIPTION OF THE BUSINESS

General

Hemlo Mining Corp. is a Canadian gold producer focused on operating and enhancing the Hemlo gold camp in northwestern Ontario. The Corporation acquired the property and assets of the Hemlo gold mine (the "**Hemlo Mine**") on November 26, 2025, from certain wholly-owned subsidiaries of Barrick Mining Corporation ("**Barrick**"), for aggregate consideration of up to US$1.1 billion (the "**Hemlo Transaction**"). The Hemlo Mine has produced approximately 25 million ounces of gold since 1985 from both underground and open pit operations. The Corporation aims to establish itself as a leading Canadian mid-tier growth-focused gold producer, by maximizing the value of the Hemlo Mine through improved operating efficiency, production growth and mine life extension. The Corporation is led by an experienced team with a track record of value creation in the global mining sector.

During the year ended December 31, 2025, the Corporation devoted significant time and effort to the acquisition of the Hemlo Mine, as disclosed below under "*Three Year History and Significant Acquisitions*". The Corporation signed the Hemlo SPA (as defined below) in September 2025 and closed the Hemlo Transaction on November 26, 2025. The Corporation is now the owner and operator of the Hemlo Mine, which is the Corporation's sole material project, and is described in further detail below under "*Mineral Projects*".

Specialized Skills and Knowledge

The business of mineral exploration and mining requires specialized skills and knowledge including expertise in geology, exploration and exploitation methods, project evaluation, permitting, legal and regulatory matters related to mining, mineral processing, project development, scheduling, procurement, logistics, finance and accounting, public markets, commodities, communications and marketing.

Hemlo retains senior executives, officers, managers and consultants with knowledge and expertise in each of these subject areas, and its Board includes members who have significant hands-on mineral exploration and mining experience. See "*Directors and Officers*" for details as to the specific skills and knowledge of the Corporation's directors and management.

Competitive Conditions

The business of mineral exploration, development and production is competitive. The Corporation competes with numerous other companies and individuals in the search for and the acquisition, development and operation of attractive mineral properties, and to retain qualified personnel, technical and engineering resources, and necessary exploration and mining equipment. The success of the Corporation will depend not only on its ability to operate and develop its mineral properties, but also on its ability to select and acquire suitable properties or prospects for exploration, development, operation or sale. In addition, many of the companies that the Corporation competes with have greater financial resources, operational expertise and technical facilities than Hemlo. For further information regarding risks associated with competitive conditions, see "***Error! Reference source not found.***" below.

Components

The supplies and services that Hemlo utilizes to carry out its exploration, development, production and operations activities are generally available and procured through normal supply or contracting channels in Canada. These supplies and services may be impacted by increased demand, inflationary pressures or supply chain disruptions due to global events, making them more difficult to procure, which could have a negative effect on the Corporation's activities and timelines.

Economic Dependence

The principal product of the Corporation is refined gold. The Corporation is obliged to sell and deliver a substantial portion of its product pursuant to the PMPA and Orion Offtake Agreement (each, as defined and further described herein). The Corporation's product can be sold on the open market under commercially competitive terms and, accordingly, the Corporation's business is not substantially dependent on such contracts.

Changes to Contracts

The Corporation is a party to the Transition Services Agreement (as defined herein) with Barrick, covering services such as information technology services, payroll services, accounting services and other matters. The Corporation may, in connection with the acquisition of the Hemlo Mine, seek to renegotiate or amend the terms of contracts to which Barrick was a party, or to which the Corporation was a party, prior to the closing of the Hemlo Transaction. If, after the expiration of the Transition Services Agreement, the Corporation is unable to perform the relevant services or replace them in a timely manner or on terms and conditions as favourable as those under the Transition Services Agreement, the Corporation may experience operational problems and higher operating costs. Despite this, the Corporation does not expect that its business in the upcoming financial year will be significantly affected by the renegotiation or termination of contracts or sub-contracts to which it is a party. For more information, see *"RISK Factors – Risks Related to Reliance on Barrick Following Completion of the Hemlo Transaction*".

Environmental Protection

Mining is an extractive industry that impacts the environment. Hemlo places a high priority on responsible environmental stewardship and its goal is to evaluate, on an ongoing basis, ways to minimize the environmental impact of its operations. The Corporation aspires to continuous improvement and continued conformance to the Mining Association of Canada's Towards Sustainable Mining standard, and the Global Industry Standard on Tailings Management. The Corporation seeks to minimize or mitigate the potential negative effects of its operations on regional flora, fauna, water quality and air quality and to improve environmental conditions that pre-date the Corporation's activities, if and where possible. Additionally, the Corporation strives to meet or exceed environmental standards and, in furtherance of the foregoing, plans to implement this approach through effective engagement and transparency with affected stakeholders, including local Indigenous and non-Indigenous communities, government and regulatory agencies. The Corporation's environmental performance is overseen at the Board level and is the responsibility of the Corporation.

The Corporation's operations, development activities and exploration programs are subject to national and local environmental laws and regulations in the jurisdictions in which its operations are located, and activities undertaken by the Corporation generally require approval by appropriate regulatory authorities prior to commencement. Environmental permits granted in respect of the Corporation's operations require the development of compliance programs, application of regulatory environmental standards and adoption of performance criteria that must remain in effect throughout the life of the operation and evolve with applicable permit renewals. Environmental aspects of the Corporation's operations include, but are not limited to, air quality, water quality, fisheries and wildlife protection, chemical use, waste disposal, noise, geotechnical stability, geochemistry, land use, and closure.

Employees

As at the end of the Corporation's most recently completed financial year, the Corporation had 294 employees, including active and inactive employees. As at March 31, 2026, the Corporation had 455 employees, including active and inactive employees, as a result of the Corporation having in-sourced mining operations that were formerly performed by an outside contractor.

The Corporation believes that its success is dependent on the performance of its management team and key individuals, many of whom have specialized skills in the gold mining industry.

The Corporation believes it has adequate personnel possessing the specialized skills and expertise required to carry out its operations and anticipates making ongoing efforts to match its workforce capabilities with its business strategy for its operations as it evolves.

Cycles

The mining business, and particularly precious metals production, is subject to metal price cycles and fluctuations, which may affect the revenue from the sale of metals and metal concentrates. Additionally, the ability to finance the Corporation on favourable terms is also affected by worldwide economic cycles. The Corporation assumed ownership and operation of the Hemlo Mine on November 26, 2025 and did not commence product sales until 2026. Accordingly, metal price cycles and fluctuations had no material effect on the Corporation's operations during the year ended December 31, 2025.

Bankruptcy and Similar Procedures

There have been no bankruptcy, receivership or similar proceedings against the Corporation or any of its subsidiaries, nor have there been any voluntary bankruptcy, receivership, or similar proceedings by the Corporation or any of its subsidiaries, within the three most recently completed financial years or proposed or completed during the current financial year.

Reorganizations

Other than as set out under "*General Development of the Business – Three Year History and Significant Acquisitions*", the Corporation has not completed any material reorganization within the three most recently completed financial years and no reorganization has been proposed for the current financial year.

Social or Environmental Policies

The Corporation views sustainability as a key part of its strategy to create value for its shareholders and other stakeholders. The Corporation focuses on the following key areas: (i) promoting social and environmental sustainability in its business and operations; (ii) maintaining strong relationships with the federal, provincial, municipal, and Indigenous communities where the Corporation has activities; (iii) supporting the economic development of the regions where it operates; and (iv) promoting diversity, equity and inclusion throughout the organization and the mining industry; and (vi) maintaining high standards of ethics and integrity. The Corporation is committed to carrying out all of its activities in an ethical manner that prioritizes health and safety, recognizes the concerns of communities, local stakeholders and preserves the natural environment.

Community Engagement

Hemlo actively engages with local communities in the region surrounding its Hemlo Mine operations. The towns of Marathon, Manitouwadge, and White River, as well as the local First Nations communities of Biigtigong Nishnaabeg and Netmizaaggamig Nishnaabeg are all included in annual engagement strategies under various programs and agreements. The Corporation is committed to maximizing local employment and enhancing regional skills capacity with support and investment in education and training. Through formal agreements, the Corporation prioritizes local procurement and business opportunities. A formal grievance and resolution procedure is in place, with concerns logged and tracked through a community relations management system. Communities of Interest are informed of the process and how to submit grievances.

Environmental

Hemlo operates under a robust environmental management system, integrating responsible stewardship practices into day-to-day operations to mitigate impacts on surrounding ecosystems. Hemlo maintains and updates detailed mine closure plans, with full financial assurance provided to regulators, ensuring long-term site rehabilitation and environmental restoration upon mine closure. Hemlo implements progressive rehabilitation practices by restoring disturbed land and facilities throughout mine life, ensuring on-going environmental protection and a smoother transition to final closure and reclamation.

Hemlo also operates under an energy & carbon management plan aligned with ISO 14001, the Mining Association of Canada's Toward Sustainable Mining Climate Change Protocol, and the Task Force on Climate-related Financial Disclosures' guidance. Our focus remains on reducing Scope 1 and Scope 2 emissions, monitoring Scope 3 emission, establishing clear baselines and KPIs, and advancing towards energy and emissions reduction. The Corporation also uses an integrated energy & GHG tool that tracks energy consumption, cost, emissions, and significant energy users across the mine, supporting transparent reporting, continuous improvement, and informed decision-making.

The Health, Safety, Environment & Technical Committee is responsible for assisting the Corporation's Board of Directors (the "**Board**") in fulfilling its responsibilities with respect to overseeing the development and implementation of the health, safety, environment and sustainability ("**HSES**") policies, procedures and programs of the Corporation, and monitoring compliance with such HSES policies, procedures and programs, as well as overseeing technical matters related to mining operations. The Corporation's Health, Safety, Environment and Technical Committee Charter is available on the Corporation's website at https://www.hemlomining.com.

Business Conduct

In addition to the foregoing, the Corporation has adopted a Code of Business Conduct and Ethics, which requires, among other things, that all employees, directors and officers are expected to conduct all business affairs with honesty and integrity and in full compliance with all applicable laws, rules and regulations. The Code also specifies that it is the Corporation's policy to treat one another with dignity, respect and courtesy, and that the Corporation promotes a workplace that values differences and promotes an environment that is inclusive to all people and their authentic, diverse abilities. The Code specifies that the Corporation strives to provide a safe and healthy work environment for its employees in compliance with applicable occupational health and safety legislation and other Corporation policies and that achieving this goal is the responsibility of all employees, officers and directors. The Corporation's Code of Business Conduct and Ethics is available on the Corporation's website at https://www.hemlomining.com.

Overall, the Corporation ensures that all employees are trained and instructed in their assigned tasks and that safety, business conduct, and environmental procedures are followed at all times. The importance of safe and ethical behavior and the preservation of the natural environment is stressed to all employees and contractors, and all are charged with monitoring operations to ensure they are being carried out in a proper manner.

GENERAL DEVELOPMENT OF THE BUSINESS

Three Year History and Significant Acquisitions

Prior to the completion of the Hemlo Transaction, the Corporation (then known as Carcetti Capital Corp.) was a shell company, with no active operations. The Corporation was previously an international energy company, but had disposed of all of its investments as of December 31, 2022, and was pursuing new investment opportunities. In this section, amounts are stated on an as-issued basis, prior to giving effect to the share consolidation on November 27, 2025, unless otherwise stated.

Year Ended December 31, 2023

On May 16, 2023, the Corporation announced that it had closed a private placement financing of 4,166,667 units at a price of C$0.12 per unit for gross proceeds of C$476,000. Each unit consisted of one common share of the Corporation and one half of one common share purchase warrant. Each warrant entitled the holder to purchase an additional common share of the Corporation at a price of C$0.18 for a period of one year. Of the 4,166,667 common shares issued, 200,000 shares were issued for gross proceeds of C$nil in connection with the severance payments to a former director, to settle C$24,000 of debt.

Year Ended December 31, 2024

In May 2024, the Corporation issued 455,000 common shares in connection with the exercise of 455,000 warrants at an exercise price of C$0.18 per common share for gross proceeds of C$81,900.

Year Ended December 31, 2025

On June 10, 2025, the Board appointed Jonathan Awde as non-executive Chairman of the Board.

On June 26, 2025, the Corporation completed a non-brokered private placement of 14,000,000 common shares at a price of C$0.125 per common share for aggregate gross proceeds of C$1,750,000 and recorded C$59,549 as share issuance costs.

On August 8, 2025, the Corporation completed a non-brokered private placement of 6,000,000 common shares at a price of C$0.35 per common share for aggregate gross proceeds of C$2,100,000 and recorded C$42,052 as share issuance costs.

On August 8, 2025, the Corporation granted 2,445,000 stock options to certain directors, officer and consultants of the Corporation to compensate and incentivize their work with respect to the Corporation's proposal to acquire the Hemlo Mine from Barrick. The options were granted at an exercise price of C$0.35 per common share and have a term of five years. Pursuant to the requirements of the TSX Venture Exchange (the "**TSXV**") in relation to the approval of the Hemlo Transaction, the Corporation increased the exercise price of these stock options from C$0.35 to C$2.00 per share (C$3.00 on a post-Consolidation basis), and is seeking disinterested shareholder approval of these awards at the next annual meeting of the shareholders (expected on June 12, 2026). These options cannot vest or be exercised until such disinterested shareholder approval has been specifically obtained, pursuant to the requirements of the TSXV. Following disinterested shareholder approval, the options would vest (a) immediately, as to 50%, and (b) on August 8, 2026, as to the remaining 50%.

On September 10, 2025, the Corporation entered into a definitive share purchase agreement (the "**Hemlo SPA**") to acquire a 100% interest in the Hemlo Mine from wholly-owned subsidiaries of Barrick. For additional information, see "*Significant Acquisition*", below.

On October 7, 2025, the Corporation entered into a refined gold offtake agreement with OMF Fund IV SPV E LLC and HMOC for the sale of up to fifty percent (50%) of the refined gold production from the Hemlo Mine until a threshold number of gold ounces (not to exceed 3.2 million ounces) have been produced from the Hemlo Mine on a 100% basis.

On October 27, 2025, the Corporation announced that it had filed the Hemlo Mine Technical Report (as defined herein) in respect of the Hemlo Mine. For more information on the Hemlo Mine Technical Report see "*Mineral Projects*".

On October 30, 2025, the Corporation announced the results of its annual general and special meeting of shareholders. Following the meeting, the Corporation appointed Robert Quartermain as Lead Director, Jonathan Awde as Executive Chair, Jason Kosec as President and Chief Executive Officer, Jon Case as Chief Financial Officer and Eric Tremblay as Chief Operating Officer. Glenn Kumoi resigned as President, Chief Executive Officer and Chief Financial Officer, and continued with the Corporation as Interim Corporate Secretary. The Board also formed several Board committees and appointed members to such committees.

On November 6, 2025, the Corporation announced it would raise an aggregate amount of C$2,500,000 by way of the issuance of non-interest bearing and unsecured convertible debentures (the "**Convertible Debentures**") in the principal amount of C$1,250,000 to Jonathan Awde (Executive Chair of the Corporation) and Robert Quartermain (Lead Director of the Corporation). The Convertible Debentures had a term of five years, following the closing of the Hemlo Transaction and at the election of the holder at any time prior to maturity, were convertible into common shares at a price of C$3.00 per share (on a post-Consolidation basis). On December 10, 2025, the holders of the Convertible Debentures converted their debentures into Hemlo Shares. As a result of the conversion, an additional 833,332 common shares were issued (on a post-consolidation basis), at a price of C$3.00 per common share (on a post-consolidation basis).

On November 21, 2025, the Corporation announced that it had received conditional acceptance from the TSXV for the Hemlo Transaction and that it had filed its Filing Statement in respect of the Hemlo Transaction under its SEDAR+ profile.

On November 26, 2025, the Corporation completed the Hemlo Transaction pursuant to the terms of the Hemlo SPA. Upon completion of the Hemlo Transaction, the Corporation issued an aggregate of 6,592,595 Options and an aggregate of 3,089,945 RSUs, including awards issued in connection with the onboarding of new employees, which coincided with closing of the Hemlo Transaction.

On November 27, 2025, the Corporation amalgamated with a wholly-owned subsidiary, 17276583 Canada Ltd., and continued as one corporation under the name "Hemlo Mining Corp." (the "**Amalgamation**"). In connection with the Amalgamation, the Corporation also consolidated its shares (the "**Consolidation**") on the basis of two-thirds of a new common share for every one pre--Consolidation share. The Corporation filed a Form 51-102F4 - *Business Acquisition Report* dated February 5, 2026, in respect of the Hemlo Transaction. See below under the heading "*Significant Acquisition*".

On December 1, 2025, the Corporation announced that it would commence trading on the TSXV on December 2, 2025 under the symbol "HMMC".

Significant Acquisition

The Corporation acquired the Hemlo Mine for total consideration to Barrick consisting of: a cash payment of US$875,000,000 (the "**Cash Consideration**"); the issuance of 23,055,000 common shares of Hemlo (the "**Hemlo Shares**") (being 34,582,500 Hemlo Shares on a pre-Consolidation basis); and up to US$165,000,000 of additional gold price linked contingent cash payments during a five-year term commencing January 1, 2027 and ending December 31, 2031.

To fund the Cash Consideration as well as working capital requirements following the closing of the Hemlo Transaction, the Corporation entered into agreements for an acquisition financing package of approximately US$1.1 billion, including:

- US$300 million through a precious metals purchase agreement (the "**PMPA**") with Wheaton Precious Metals Corp. ("**Wheaton**");

- US$250 million senior secured credit facilities (the "**Credit Facilities**") underwritten by the Bank of Nova Scotia (now syndicated with additional lenders including Bank of Montreal, National Bank Financial Inc., ING Capital LLC, Macquarie Bank Limited, and Canadian Imperial Bank of Commerce, as lenders), and consisting of an acquisition term loan of US$150 million and a US$100 million revolving credit facility (including a US$25 million accordion exercised on the closing date), of which US$200 million in aggregate was used to fund the acquisition, pursuant to a credit agreement dated as of November 26, 2025, among the Corporation and HMOC, as borrowers, the guarantors from time to time party thereto, the Bank of Nova Scotia, as administrative agent, sole bookrunner and sole lead arranger, and the lenders from time to time party thereto (the "**Credit Agreement**"); and

- US$542 million from the Corporation's private placement (the "**SR Private Placement**") of subscription receipts ("**Subscription Receipts**") comprised of US$486 million from the Corporation's bought deal private placement of Subscription Receipts (with Scotiabank as sole bookrunner on behalf of a syndicate of underwriters) and US$56 million from the Corporation's non-brokered private placement of Subscription Receipts.

Pursuant to the PMPA, Wheaton paid a cash deposit of US$300 million to HMOC at closing of the Hemlo Transaction. The PMPA will initially represent 10.125% of the payable gold produced from the Hemlo Mine until a total of 135,750 ounces of gold has been delivered (the “**First Dropdown Threshold**”), at which point Wheaton will purchase 6.75% of the payable gold until an additional 117,998 ounces of gold has been delivered (the “**Second Dropdown Threshold**”), at which point Wheaton will purchase 4.5% of the payable gold for the life of the mine. Each of the First Dropdown Threshold and the Second Dropdown Threshold will be subject to adjustment if there are delays in deliveries relative to an agreed schedule, and commencing in 2033, if deliveries fall behind the agreed schedule by 10,000 ounces or more, the stream percentage will be increased by 5% until deliveries catch up with the agreed schedule. The payable gold will be reduced by half with respect to gold production from certain claims comprising the Interlake deposit. Payable gold is calculated using a fixed payable factor of 99.95%.

The Credit Facilities have a three-year term. The Credit Facilities will be available by way of advances bearing interest at either (i) the term Secured Overnight Financing Rate, plus an adjustment ranging from 0.10% to 0.25% depending on the tenor and an applicable margin ranging from 2.75% to 3.75% (except for a minimum margin of 3.25% for the first two quarters) payable no less than every three months, (ii) the base rate, as defined in the Credit Facilities, plus an applicable margin ranging from 1.75% to 2.75% (except for a minimum margin of 2.25% for the first two quarters) payable monthly, or (iii) for the revolving credit facility only, by way of letters of credit with fees ranging from 1.833% to 2.5% per annum for nonfinancial letters and 2.75% to 3.75% per annum for financial letters. The range for such letter of credit fees and applicable margin is based on the Corporation's leverage ratio at the end of each fiscal quarter.

In connection with closing of the Hemlo Transaction, the 377,993,830 Subscription Receipts were, in accordance with their terms, automatically settled on a one-for-one basis for 377,993,830 Hemlo Shares on a pre-Consolidation basis (being 251,995,603 Hemlo Shares on a post-Consolidation basis).

Concurrent with closing of the Hemlo Transaction, the Corporation also issued 3,333,333 Hemlo Shares (being 5,000,000 Hemlo Shares on a pre-Consolidation basis) (the "**Advisor Shares**") at a price of C$3.00 per Hemlo Share (being C$2.00 per Hemlo Share on a pre-Consolidation basis) in connection with those aspects of the Hemlo Transaction related to reclamation and closure obligations. The Advisor Shares are subject to a share acquisition agreement that restricts the transfer or disposition of the Advisor Shares for a period of one year from the date of issuance and provides the Corporation with a right of first refusal over any future sale or transfer of the Advisor Shares.

Recent Developments

Between December 2025 and March 2026, the Corporation announced several additions to its senior leadership team to support mining operations and the long-term development of the Corporation. These appointments included Carl DeLuca as General Counsel and Corporate Secretary; Lindsay Newton as Vice President, Finance; Mike Tsafaras as Vice President, Engineering and Projects; Garett Macdonald as Vice President Operations and General Manager of the Hemlo Mine; Perry Blanchard as Vice President, Sustainability; and Jason Banducci as Vice President, Corporate Development and Investor Relations.

On January 29, 2026, the Corporation announced the launch of a 130,000-metre exploration drilling program for 2026, aimed at extending mine life, de-risking the near-term mine plan and identifying near-mine growth opportunities. The program includes drilling from both underground and surface platforms and the development of exploration drifts to test extensions of known mineralization.

On February 9, 2026, the Corporation announced that the Board had approved the adoption of a shareholder rights plan (the "**Rights Plan**") pursuant to a shareholder rights plan agreement entered into with Odyssey Trust Company, as rights agent, dated as of February 9, 2026 (the "**Effective Date**"). The Rights Plan is intended to promote the fair treatment of all shareholders in the event of a take-over bid and to protect against "creeping bids," which may result in the accumulation of more than 20% of the Corporation's common shares outside the formal take-over bid process. While the Rights Plan is effective as of the Effective Date, it is subject to ratification by the Corporation's shareholders within six months of its adoption. The Board intends to recommend the ratification of the Rights Plan at its next annual and special meeting of shareholders expected to be held in June 2026.

On February 12, 2026, the Corporation announced that it had acquired, through its wholly owned subsidiary, a 1.5% net smelter returns royalty (the "**David Bell Royalty**") covering seventeen mineral claims associated with the past producing David Bell mine. The David Bell deposit is located approximately one kilometre east of the Corporation's current operations and represents a classic Hemlo-style gold system, with gold mineralization hosted primarily within strongly altered volcano sedimentary and fragmental rocks.

On February 23, 2026, the Corporation reported 2025 gold production of 143,458 payable ounces, including 20,192 ounces produced in December, representing the strongest annual production from the Hemlo camp in the past four years. The Corporation also announced transitioning toward an owner-operator mining model, aimed at improving operational flexibility, cost control, and long-term productivity, while leveraging the mine's existing underground and processing infrastructure.

On March 5, 2026, the Corporation announced that it has granted its 2026 long-term incentive plan awards in accordance with the terms and conditions of the its omnibus equity incentive plan, consisting of: 179,023 RSUs granted to officers of the Corporation and 310,844 RSUs to other employees of the Corporation; 537,077 PSUs granted to officers of the Corporation (assuming maximum vesting); 404,028 Options granted to officers of the Corporation; and 33,993 RSUs and 11,331 DSUs granted to non-executive directors of the Corporation.

On April 2, 2026, the Corporation announced that it repaid the US$75 million outstanding balance on its US$100 million revolving credit facility, reducing the drawn balance to nil.

RISK FACTORS

The business of mineral exploration, development and mining is subject to numerous risks and uncertainties. Hemlo has identified the following risks that may impact the Corporation specifically. If any of these risks materialize, the Corporation's business, results of operations, financial condition and cash flows and the market price of its securities could be materially and adversely affected. Additional risks and uncertainties not known to the Corporation or that the Corporation assesses to be immaterial may also impair the Corporation's business operations.

Investors, and those considering an investment, in the Corporation should be aware that investing in its securities involves a high degree of risk. The risk factors outlined in this section and elsewhere in this AIF should be carefully considered when evaluating an investment in the Corporation.

General Risks

Metal price volatility may affect the Corporation's results of operations and the economic viability and potential profitability of mineral exploration or development properties

Metal prices are subject to fluctuations and are affected by numerous factors beyond the Corporation's control including international economic and political trends, financial institution and central bank sales, inflation, currency exchange fluctuations, interest rates, global or regional consumption patterns, speculative activities and increased production due to new and improved extraction and production methods. Fluctuations and short-term and long-term trends in metal prices can adversely affect both the economic viability and potential profitability of the Corporation's mineral properties.

Market Conditions

Share market conditions may affect the value of the Corporation's securities regardless of its operating performance. Share market conditions are affected by many factors, such as: general economic outlook; introduction of tax reform or other new legislation; interest rates and inflation rates; changes in investor sentiment toward particular market sectors; the demand for, and supply of, capital; social and political changes in Canada and elsewhere; and terrorism or other hostilities. The market price of securities can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general and resource exploration stocks in particular. The Corporation does not warrant the future performance of the Corporation or any return on an investment in the Corporation.

The price of the Hemlo Shares may be affected by factors unrelated to its operations

The Hemlo Shares are listed on the TSXV. The price of the Hemlo Shares is likely to be significantly affected by short-term changes in gold prices and in its financial condition or results of operations as reflected in its quarterly financial statements. Other factors unrelated to the Corporation's performance that may have an effect on the price of the Hemlo Shares may include the following: the decision by any of the Corporation's large institutional shareholders to divest its shareholding of the Corporation; a reduction in analytical coverage by investment banks with research capabilities; a drop in trading volume and general market interest in the Corporation's securities, which may adversely affect an investor's ability to liquidate an investment and consequently an investor's interest in acquiring a significant stake in the Corporation; a failure of the Corporation to meet or maintain the minimum listing or posting standards, reporting and other obligations under relevant securities laws or stock exchange rules or imposed by applicable regulators, which could result in a delisting of the Hemlo Shares or removal from trading platforms and reduce their liquidity; and any low or negative third-party ratings or rankings of the Corporation's securities or disclosure practices, including but not limited to ratings of the Corporation's environmental, social and governance practices, which could negatively affect the liquidity and price of the Corporation's securities.

As a result of any of these factors, the market price of the Hemlo Shares at any given point in time may not accurately reflect the long-term value of the Corporation's assets. Securities class action litigation can be brought against companies following periods of volatility in the market price of their securities, which could result in substantial costs and damages and divert management's attention and resources.

Reliance on Management

Hemlo is dependent upon the continued support and involvement of its principals and management. Should Hemlo lose the services of one or more of the principals or management, the ability of Hemlo to achieve its objectives could be adversely affected.

Reliance on key inputs

The Corporation's business is dependent on a number of key inputs, including supplies and equipment required to continue operations, as well as electricity, water, telecommunications services and other local utilities. Any significant interruption or negative change in the availability or economics of the supply chain for key inputs could materially impact the business, financial condition and operating results of Hemlo. Further, some of these inputs may only be available from a single supplier or a limited group of suppliers. If a sole source supplier was to go out of business, Hemlo might be unable to find a replacement for such a source in a timely manner or at all. If a sole source supplier were to be acquired by a competitor, that competitor may elect not to sell to the Corporation in the future. Any inability to secure required supplies and services, or to do so on acceptable terms, could have a material adverse impact on the business, financial condition and operating results of the Corporation.

Additionally, diesel fuel and natural gas are consumed to operate the Hemlo Mine. Diesel fuel is refined from crude oil and is therefore subject to the same price volatility affecting crude oil prices. Therefore, volatility in crude oil and natural gas prices have a direct impact on production costs, and, accordingly, a material or sustained increase in crude oil prices may have a material adverse impact on the business, financial condition and operating results of the Corporation.

Dependence on skilled labour

The ability of Hemlo to compete and grow will be dependent on having access, at a reasonable cost and in a timely manner, to skilled labour. No assurances can be given that Hemlo will be successful in maintaining its required supply of skilled labour. If the Corporation is unable to recruit and retain the required supply of skilled labour, then the Corporation may need to curtail, or extend the timeframes for completing, its expansion or growth initiatives. This could have a material adverse effect on the financial results and operations of the Corporation.

Management of Growth

Hemlo may be subject to growth-related risks, including capacity constraints and pressure on internal systems and controls. Hemlo's recent growth has required, and may continue to require, the integration of acquired assets, systems, processes and personnel as a result of its significant acquisitions. The successful management of such integration depends in part on the timely transition of certain functions from third-party service providers to internal operations, in addition to its ability to continue to implement and improve its operational and financial systems, and to expand, train and manage its employee base. There can be no assurance that Hemlo will be able to complete this transition as planned, or without disruption to its operations. Any failure to effectively manage these integration and transition activities could place additional demands on management, divert resources from other strategic initiatives, and have a material adverse effect on the business, financial condition, results of operations and prospects of the Corporation.

Limitations of internal controls may lead to misstatements or miscalculations

Internal controls provide no absolute assurances as to reliability of financial reporting and financial statement preparation, and ongoing evaluation may identify areas in need of improvement. The Corporation may fail to maintain the adequacy of its internal control over financial reporting as such standards are modified, supplemented or amended from time to time, and the Corporation may not be able to ensure that it can conclude on an ongoing basis that it has effective internal controls over financial reporting. The Corporation's failure to satisfy the requirements of Canadian legislation on an ongoing, timely basis could result in the loss of investor confidence in the reliability of its financial statements, which in turn could harm the Corporation's business and negatively impact the trading price of Hemlo Shares or market value of its other securities. In addition, any failure to implement required new or improved controls, or difficulties encountered in their implementation, could harm the Corporation's operating results or cause it to fail to meet its reporting obligations. The Corporation may fail to maintain the adequacy of its disclosure controls. Disclosure controls and procedures are designed to ensure that the information required to be disclosed by the Corporation in reports filed with securities regulatory agencies is recorded, processed, summarized and reported on a timely basis and is accumulated and communicated to the Corporation's management, as appropriate, to allow timely decisions regarding required disclosure. No evaluation can provide complete assurance that the Corporation's financial and disclosure controls will detect or uncover all failures of persons within the Corporation to disclose material information otherwise required to be reported. A control system, no matter how well designed and operated, can provide only reasonable, not absolute, assurance with respect to the reliability of financial reporting and financial statement preparation. The effectiveness of the Corporation's controls and procedures could also be limited by simple errors or faulty judgments.

Inflation

The Corporation's financial performance and cash flows may be adversely affected by inflationary pressures and fluctuations in interest rates. Inflation can lead to increased operating costs through higher prices for labour, equipment, materials, and services, as well as contribute to supply chain disruptions and regulatory changes. If the Corporation is unable to effectively manage these cost increases, it may impact returns and future development and production decisions, which could have a material adverse effect on the Corporation's financial performance.

Although interest rates have begun to decline, they remained elevated for an extended period as central banks implemented measures to curb inflation. Higher borrowing costs during these periods may affect our financing expenses and reduce returns on projects. Sustained periods of elevated interest rates can also slow economic growth, reduce demand, depress commodity prices, and limit industry activity. The duration and combined impact of inflationary pressures and interest rate volatility on demand, commodity pricing, and our operations remain uncertain.

Technological Change and Artificial Intelligence

The Corporation operates in a competitive environment where its operations are subject to technological change and evolving industry practices. The Corporation's future success will depend on its ability to successfully transition and implement new technology, including artificial intelligence ("**AI**") and changing information technology systems, and to respond to technological advances within the mining industry. If the Corporation is unable to respond to such technological changes, or fails or delays to incorporate technological enhancements in a timely and cost-effective manner, it could negatively affect the Corporation's business, competitiveness and profitability.

The Corporation, its counterparties, third-party providers and vendors may from time to time use AI technology to make the Corporation's operations and systems more efficient and productive. While the Corporation has set measures to oversee its use of AI technology, the Corporation has no way of ensuring that its third-party providers and vendors are engaging in risk mitigating measures when adopting and using AI technology. Moreover, as many AI technology systems are constantly evolving and becoming more effective, the Corporation may be at an increased risk of a cybersecurity attack where AI technology is used to circumvent security controls, evade detection and remove forensic evidence. As a result, the Corporation may be unable to detect, investigate, remediate or recover from future attacks or incidents, or to avoid a material adverse impact on its business.

Competition

Hemlo is expected to face competition from other companies, some of which can be expected to have longer operating histories and more financial resources than Hemlo. Increased competition by larger and better financed competitors could materially and adversely affect the business, financial condition and results of operations of the Corporation.

Dilution

The Corporation's constating documents will allow it to issue an unlimited number of Hemlo Shares and preferred shares for such consideration and on such terms and conditions as established by the Board, in many cases, without the approval of the holders of Hemlo Shares (the "**Shareholders**"). The Corporation may issue additional Hemlo Shares in subsequent offerings (including through the sale of securities convertible into or exchangeable for Hemlo Shares) and on the exercise of stock options or other securities exercisable for Hemlo Shares. The Corporation cannot predict the size of future issuances of Hemlo Shares or the effect that future issuances and sales of Hemlo Shares will have on the market price of the Hemlo Shares. Issuances of a substantial number of additional Hemlo Shares, or the perception that such issuances could occur, may adversely affect prevailing market prices for Hemlo Shares. With any additional issuance of Hemlo Shares, investors will suffer dilution to their voting power and the Corporation may experience dilution in its earnings per share.

Additional Financing Requirements

In order to continue to execute its anticipated growth strategy and maintain operational status of the Hemlo Mine, the Corporation may require additional equity and/or debt financing to support ongoing operations, undertake capital expenditures, or undertake business combination transactions, acquisitions or other initiatives. While the Corporation has been successful in raising such financing in the past, its ability to raise additional financing may be affected by numerous factors beyond its control including, but not limited to, adverse market conditions (including interest and exchange rates), commodity price changes and economic downturns. There can be no assurance that the Corporation will be successful in obtaining any additional financing required to continue its business operations and/or to maintain its property interests, or that such financing will be sufficient to meet the Corporation's objectives or obtained on terms favourable to the Corporation. The Corporation's inability to raise additional financing could limit its growth and may have a material adverse effect upon its business, operations, results, financial condition or prospects.

If additional funds are raised through further issuances of equity or securities convertible into equity, existing Shareholders could suffer significant dilution, and any new equity securities issued could have rights, preferences and privileges superior to those of holders of common shares. Any debt financing could involve restrictive covenants relating to capital-raising activities and other financial and operational matters, which may make it more difficult for Hemlo to obtain additional capital and to pursue business opportunities.

Political Risks

Any changes in government policy may result in changes to laws affecting ownership of assets, monetary policies, taxation, rates of exchange, environmental regulations, labour relations and return of capital. Such changes may affect the Corporation's development and operating activities in respect of the Hemlo Mine in the manner currently contemplated. The possibility that future governments may adopt substantially different policies, which might extend to the operation of mineral properties, cannot be ruled out.

International Conflict, Geopolitical Instability and War

International conflict and other geopolitical tensions and events, including war, military action, terrorism, trade disputes, and international responses thereto have historically led to, and may in the future lead to, uncertainty or volatility in global commodity and financial markets and supply chains. International conflicts (such as the ongoing conflict between Russia and Ukraine, the uncertainty following the ceasefire in the Gaza Strip, the recent U.S. and Israeli military operations in Iran and increasing tensions among Middle Eastern countries and the resulting disruption of transit through the Persian Gulf and the Strait of Hormuz) including any related sanctions or other international action, may have a destabilizing effect on commodity prices, supply chains, and global economies more broadly. Volatility in commodity prices and supply chain disruptions may adversely affect the Corporation's business, financial condition, and results of operations. The extent and duration of the international conflicts and related international action cannot be accurately predicted at this time, and the effects of such conflict may magnify the impact of the other risks identified in this AIF, the financial statements of the Corporation and the management's discussion and analysis, including those relating to commodity price volatility and global financial conditions. International conflicts may result in unforeseeable impacts, including on shareholders of the Corporation, and third parties with which the Corporation relies on or transacts, and may have an adverse effect on the Corporation's business, results of operations, and financial condition.

Cybersecurity Risks

The information systems of Hemlo and any third-party service providers and vendors are vulnerable to an increasing threat of continually evolving cybersecurity risks. These risks may take the form of malware, computer viruses, cyber threats, extortion, employee error, malfeasance, system errors or other types of risks, and may occur from inside or outside of the respective organizations. Cybersecurity risk is increasingly difficult to identify and quantify and cannot be fully mitigated because of the rapidly evolving nature of the threats, targets and consequences. Additionally, unauthorized parties may attempt to gain access to IT systems and software through fraud or other means of deceiving third-party service providers, employees or vendors. The operations of the Corporation depend, in part, on how well networks, equipment, IT systems and software are protected against damage from a number of threats. These operations also depend on the timely maintenance, upgrade and replacement of networks, equipment, IT systems and software, as well as pre-emptive expenses to mitigate the risks of failures. However, if Hemlo is unable or delayed in maintaining, upgrading or replacing IT systems and software, the risk of a cybersecurity incident could materially increase. Any of these and other events could result in information system failures, delays and/or increases in capital expenses and other costs. The failure of information systems or a component of information systems could, depending on the nature of any such failure, adversely impact the reputation, business and results of operations of Hemlo.

Future Acquisitions

As part of the Corporation's business strategy, it may seek to grow by acquiring companies and/or assets or establishing joint ventures that it believes will complement its current or future business. Acquisition transactions involve inherent risks, including but not limited to: accurately assessing the value, strengths, weaknesses, contingent and other liabilities and potential profitability of acquisition candidates; ability to achieve identified and anticipated operating and financial synergies; unanticipated costs; diversion of management attention from existing business; potential loss of the Corporation's key employees or key employees of any business acquired; unanticipated changes in business, industry or general economic conditions that affect the assumptions underlying the acquisition; and decline in the value of acquired properties, companies or securities. Any one or more of these factors or other risks could cause the Corporation not to realize the anticipated benefits of an acquisition of properties or companies, and could have a material adverse effect on its financial condition. The Corporation may not effectively select acquisition candidates or negotiate or finance acquisitions or integrate the acquired businesses and their personnel or acquire assets for the Corporation's business. The Corporation cannot guarantee that it can complete any acquisition it pursues on favourable terms, or that any acquisitions completed will ultimately benefit its business.

Mergers and Amalgamations

The ability to realize the benefits of any merger or amalgamation completed by the Corporation will depend in part on successfully consolidating functions and integrating operations, procedures and personnel in a timely and efficient manner. This integration will require the dedication of substantial management effort, time and resources which may divert management's focus and resources from other strategic opportunities of the Corporation following completion of any such arrangement, and from operational matters during such a process.

Litigation

The Corporation may be subject to litigation and legal proceedings arising in the normal course of business and may be involved in disputes with other parties in the future which may result in litigation. The causes of potential future litigation cannot be known and may arise from, among other things, business activities and environmental laws. The results of litigation cannot be predicted with certainty. If the Corporation is unable to resolve these disputes favourably, they may result in a material adverse impact on the Corporation's financial condition, cash flows and results of operations.

Evolving Anti-Corruption Laws

The Corporation is required to comply with the *Corruption of Foreign Public Officials Act* (Canada) which has recently seen an increase in both the frequency of enforcement and severity of penalties. There can be no assurance that the Corporation's internal control policies and procedures will always protect the Corporation from recklessness, fraudulent behaviour, dishonesty or other inappropriate acts by its employees or contractors. Violation or alleged violation of anti-corruption laws could lead to civil, administrative and criminal fines and penalties, reputational damage and other harm that may materially adversely affect our financial condition and results of operations.

Outbreaks of Diseases and Public Health Crises

The Corporation faces risks related to health epidemics and other outbreaks of communicable diseases, which could significantly disrupt its operations and may materially and adversely affect its business and financial conditions.
Although the Corporation's current operations are not being materially impacted by any public health crises, the Corporation continues to monitor the developments and impact of any health crises and pandemic diseases as they may arise. The Corporation cannot estimate whether, or to what extent, any future outbreak of epidemics or pandemics or other health crises may have an impact on the business, operations and financial condition of the Corporation. The outbreak of epidemics, pandemics or other public health crises, such as the Coronavirus pandemic, may result in volatility and disruptions in the supply and demand for critical metals and minerals, global supply chains and financial markets, as well as declining trade and market sentiment and reduced mobility of people, all of which could affect commodity prices, interest rates, credit ratings, credit risk, share prices and inflation. The risks to the Corporation of such public health crises also include risks to employee health and safety, a slowdown or temporary suspension of

operations in geographic locations impacted by an outbreak, increased labor and fuel costs, regulatory changes, political or economic instabilities or civil unrest as well as the Corporation's ability to service its debt obligations. As such, the impacts of such crises may have a material adverse effect on the Corporation's business, results of operations and financial condition and the market price of the Hemlo Shares. There can be no assurance that the Corporation's personnel or its contractors' personnel will not be impacted by these pandemic diseases and ultimately see its workforce productivity reduced or incur increased safety and medical costs / insurance premiums as a result of these health risks.

Volatility of Share Price

In recent years, the securities markets in Canada, and the TSXV in particular, have experienced a high level of price and volume volatility, and the market prices of securities of many companies have experienced wide fluctuations in price that have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that continual fluctuations in price will not occur. It may be anticipated that any quoted market for the Hemlo Shares will be subject to market trends and conditions generally, notwithstanding any potential success of the Corporation in creating revenues, cash flows or earnings.

No Dividends

The Corporation has not declared a dividend since incorporation and does not anticipate doing so in the foreseeable future. Any future determination as to the payment of dividends will be at the discretion of the Board and will depend on the availability of profit, operating results, the financial position of the Corporation, future capital requirements and general business and other factors considered relevant by the directors of the Corporation. No assurances in relation to the payment of dividends can be given. See "*Dividends and Distributions*".

Liquidity

The Corporation cannot predict at what prices the Hemlo Shares will trade upon in the future, and there can be no assurance that an active trading market in Hemlo Shares will be sustained.

Mining Related Risks

Production, Operating and Mineral Exploration

As of the date hereof, the Hemlo Mine accounts for all of Hemlo's commercial production and is expected to continue to account for all of its commercial production in the near term. Any adverse conditions affecting mining, processing conditions, labour relations or supply chains could have a material adverse effect on its financial performance and results of operations.

Hemlo has developed estimates of future production for the Hemlo Mine, but Hemlo cannot give any assurance that it will achieve future production estimates. The failure of Hemlo to achieve its production estimates could have a material and adverse effect on future cash flows, profitability, share price, results of operations, and financial condition. Production estimates are dependent on, among other things, the accuracy of Mineral Reserve estimates, the accuracy of assumptions regarding ore grades and recovery rates, ground conditions, physical characteristics of ores, such as hardness and the presence or absence of particular metallurgical characteristics, and the accuracy of estimated rates and costs of mining and processing.

Hemlo's actual production may vary from its estimates for a variety of reasons, including: actual ore mined varying from estimates of grade, tonnage, dilution and metallurgical and other characteristics; short-term operating factors such as the need for sequential development of orebodies and the processing of new or different ore grades from those planned; mine or equipment failures; industrial accidents; potential adverse impacts of any new widespread illness or disease which may develop; changes in power costs and potential power shortages or permitting challenges related to power; natural phenomena (including consequences of climate change) such as inclement weather conditions, floods, droughts, wildfires, rock slides and earthquakes; encountering unusual or unexpected geological conditions; shortages of principal supplies needed for operation, including fuels, explosives, water and equipment parts; labour shortages, strikes, civil disobedience and protests; and restrictions or regulations imposed by government agencies or regulatory bodies. Such occurrences could result in damage to mineral properties, interruptions or delays in production, injury or death to persons, damage to property of the Corporation or others, monetary losses, and legal liabilities, forcing the Corporation to cease production.

Operations in which Hemlo has a direct or indirect interest are subject to all of the risks normally incidental to the exploration for, and the development and operation of, mineral properties, any of which could result in damage to properties or production facilities, delays, work stoppages, monetary losses, environmental damage, damage to or destruction of equipment, personal injury or death and possible legal liability. Hemlo has implemented comprehensive safety and environmental measures designed to comply with or exceed government regulations and to ensure safe, reliable and efficient operations in all phases of its operations.

Hemlo maintains liability and property insurance, where reasonably available, in such amounts it considers prudent. While Hemlo believes its insurance coverage adequately addresses material risks to which Hemlo is exposed and is at a level customary for its operations, such insurance is subject to coverage limits and exclusions and may not be available for the risks and hazards to which Hemlo is exposed. In addition, no assurance can be given that such insurance will be adequate to cover the Corporation's liabilities or will be generally available in the future or, if available, that premiums will be commercially justifiable. If Hemlo were to incur substantial liability and such damages were not covered by insurance or were in excess of policy limits, or if such liability was incurred at a time when they are unable to obtain liability insurance, the business, results of operations and financial condition of the Corporation could be materially adversely affected. Hemlo may become subject to liability for hazards against which it cannot insure or which it may elect not to insure against because of high premium costs or other reasons.

Substantial expenditures are required to establish Mineral Reserves and resources through drilling, to develop metallurgical processes to extract the metal from the material processed and, in the case of new properties, to develop the mining and processing facilities and infrastructure at any site chosen for mining. There can be no assurance that commercial quantities of ore will be discovered. There is also no assurance that even if commercial quantities of ore are discovered, that the properties will be brought into commercial production or that the funds required to exploit Mineral Reserves and resources discovered by Hemlo will be obtained on a timely basis or at all. The commercial viability of a mineral deposit once discovered is also dependent on a number of factors, some of which are the particular attributes of the deposit, such as size, grade and proximity to infrastructure, as well as metal prices. Most of the above factors are beyond the control of Hemlo.

Estimation of mineralization, resources and reserves

There is a degree of uncertainty attributable to the calculation of mineralization, resources and reserves and corresponding grades being mined or dedicated to future production. Until reserves or mineralization are actually mined and processed, the quantity of mineralization and reserve grades must be considered estimates only. These estimates depend upon geological interpretation and statistical inference drawn from drilling and sampling analysis, which may prove unreliable. There can be no assurance such estimates will be accurate. In addition, the quantity of reserves and mineralization may vary depending on commodity prices. Any material changes in the quantity of reserves, mineralization, grade or stripping ratio may affect the economic viability of a mine. In addition, there can be no assurance that recoveries from laboratory tests will be duplicated in tests under on-site conditions or during production. The inclusion of mineral resource estimates should not be regarded as a representation that these amounts can be economically exploited, and no assurances can be given that such resource estimates will be converted into reserves. Different experts may provide different interpretations of resource estimates.

Commodity prices

The price of Hemlo Shares and Hemlo's profitability, financial results, operational and exploration activities may in the future be significantly adversely affected by declines in the price of gold. Metal prices fluctuate on a daily basis and are affected by a number of factors beyond the control of the Corporation, including the U.S. dollar and other foreign currency exchange rates, central bank and financial institution lending and sales, producer hedging activities, global and regional supply and demand, production costs, confidence in the global monetary system, expectations of the future rate of inflation, local and foreign taxation and tariff regimes, the availability and attractiveness of alternative investment vehicles, interest rates, terrorism and war, and other global or regional political or economic events or conditions.

The price of precious metals has fluctuated widely in recent years, and future trends cannot be predicted with any degree of certainty. In addition to adversely affecting the Corporation's financial condition and exploration, development and operational activities, declining precious metal prices can impact operations by requiring a reassessment of the feasibility of a particular project, as well as having an impact on the perceptions of investors with respect to the equity securities of producing companies, and therefore, the ability of Hemlo to raise capital. A sustained, significant decline in precious metals prices could also cause the development and operation of any properties in which Hemlo may hold an interest from time to time to be impracticable. Future production from any of the Corporation's properties will be dependent upon, among other things, the price of gold being adequate to make these properties economic. There can be no assurance that the market price of precious metals will remain at current levels, that such prices will increase or that market prices will not fall.

There are risks associated with the operation of mines

Mining operations are subject to hazards that could have an adverse effect on the business, results of operations and financial position of the Corporation. Such risks include but are not limited to: environmental hazards; tailings risks; industrial accidents; labour disputes; changes in laws; disruptions in the delivery of supplies or equipment; unusual or unexpected geological conditions; underground or open pit stability failures; rock falls; unanticipated ground, grade or water conditions; unexpected climate events such as extremely high or low rainfall levels; actual ore mined varying from estimates of grade or tonnage; metallurgical or other characteristics; interruptions in or shortages of electrical power; periodic or extended interruptions due to the unavailability of materials; and, force majeure events. These factors could result in reduced production, damage to or destruction of mineral properties or producing facilities, damage to or loss of life or property, environmental damage, delays in mining or processing, losses, and possible legal liability.

Underlying property commitments can affect the Corporation's results of operations and financial condition

There are underlying royalties, streams and other commitments associated with the Corporation's material properties. Failure by Hemlo to meet its payment obligations or otherwise fulfill its commitments under these agreements could result in the loss of related property interests.

Title to Properties

The Hemlo Mine and any future mineral property interests acquired by the Corporation may be affected by undetected defects in title, such as the reduction in size of the mining titles and other third-party claims affecting the Corporation's interests. Maintenance of such interests is subject to ongoing compliance with the terms governing such mining titles. Mining properties sometimes contain claims or transfer histories that examiners cannot verify. A successful claim that the Corporation does not have title to any of its mining properties could cause the Corporation to lose any rights to explore, develop and extract any ore on that property, without compensation for its prior expenditures relating to such property.

Indigenous Title and Rights Claims

Hemlo operates in some areas presently or previously inhabited or used by Indigenous peoples. Various national and international laws, codes, resolutions, conventions, guidelines and other materials relate to the rights of Indigenous peoples. Many of these materials impose obligations on the government to respect the rights of Indigenous peoples. Some mandate that the government consult with Indigenous peoples regarding government actions which may affect them, including actions to approve or grant mining rights or permits. The obligations of the government and private parties under the various national and international materials pertaining to Indigenous peoples continue to evolve and be defined. Hemlo's current and future operations are subject to the risk that one or more groups of Indigenous peoples may oppose the continued operation, further development or new development of those projects or operations in which Hemlo holds an interest. Such opposition may be directed through legal or administrative proceedings or expressed in manifestations such as protests, roadblocks or other forms of public expression against the Corporation's activities.

Opposition by Indigenous peoples to the Corporation's activities may require modification of or preclude operation or development of the Corporation's projects or may require the Corporation to enter into agreements with Indigenous peoples with respect to the Corporation's projects. Such agreements may have a material adverse effect on the Corporation's business, financial condition, results of operations and reputation.

The Corporation cannot accurately predict whether Indigenous rights and title claims will have a material adverse effect on its ability to carry out the intended exploration and work programs on its properties located in Canada. The legal basis for, and the strength of, an Indigenous rights or title claim is a complex issue, and the prospect and impact of any resolution of any such claim through a court decision or settlement with the government is beyond the control of the Corporation and cannot be predicted with certainty.

Community Relationships

Mining companies face increasing public scrutiny and monitoring of their activities to demonstrate that operations will benefit local governments and the communities surrounding projects. Companies are required to expend significant amounts of time and money on local consultation and meetings as part of developing their 'social license to operate'. Potential consequences of this increased scrutiny and additional consultative requirements may include lawsuits, demands for increased social investment obligations and increased taxes to support local governments or fund local development projects or in extreme cases, significant local opposition to mineral exploration, project development and/or mining operations. These additional risks could result in increased costs, delays in the permitting process or other impacts on operations, any of which could adversely impact the Hemlo Mine and any future prospects and ability to develop or mine any mineral deposit.

Risks related to permits, licenses and approvals

The operations of the Corporation require licenses and permits from various governmental authorities. Hemlo believes it holds or is in the process of obtaining all necessary licenses and permits to carry on the activities, which are currently being conducted under applicable laws and regulations. Such licenses and permits are subject to changes in regulations and in various operating circumstances. There can be no guarantee that Hemlo will be able to obtain or maintain all necessary licenses and permits that may be required to maintain its mining activities, construct mines or milling facilities and commence operations of any of its exploration properties. In addition, Hemlo must obtain and comply with permits and licenses which may contain specific conditions concerning operating procedures, water use, the discharge of various materials into or on land, air or water, waste disposal, spills, environmental studies, abandonment and restoration plans and financial assurances. There can be no assurance that Hemlo will be able to obtain or maintain such permits and licenses or that it will be able to comply with any such conditions.

Permits received may expire

Permits granted by the jurisdictions in which the Corporation operates are typically issued with an expiry date requiring the Corporation to undertake certain activities within a given time frame in order for the permit to remain valid. While the Corporation intends to satisfy the terms and conditions of the permits it has been granted, circumstances, including but not limited to a lack of adequate financing necessary to advance the Corporation's projects, may prevent it from doing so and permits received may expire or be cancelled for non-compliance by the granting authority.

Single Property

At present, the only material mineral property in which the Corporation has an interest is the Hemlo Mine. Considering the foregoing, any adverse developments affecting the Hemlo Mine, could materially adversely affect the potential consolidated profitability, financial condition and results of operations of the Corporation.

While the Corporation may seek to develop and acquire additional mineral properties that are consistent with its business objectives, there can be no assurance that Hemlo will be able to identify suitable additional mineral properties or, if it does identify suitable properties, that it will have sufficient financial resources to acquire and develop such properties or that such properties will be available on terms acceptable to the Corporation or at all.

Regulatory matters

The Corporation's operations take place within Canada. The Corporation's current exploration, development and production operations and any future activities at any of its properties, including those on care and maintenance, are subject to or will be subject to, regulation by governmental authorities. These activities can be affected at various levels by governmental regulation governing prospecting and development, price control, taxes, labour standards and occupational health, expropriation, mine safety, environmental protection and other matters. An excessive supply of certain minerals may arise from time to time due to the absence of a market for said minerals and to restrictions on exports. Exploration and commercialization are subject to various federal, provincial and local laws and regulations relating to the protection of the environment. These laws impose high standards on the mining industry to monitor the discharge of wastewater and report the results of such monitoring to regulatory authorities, to reduce or eliminate certain effects on or into land, water or air, to progressively rehabilitate mine properties, to manage hazardous wastes and materials and to reduce the risk of worker accidents. A violation of these laws may result in the imposition of substantial fines and other penalties.

Changes in Laws, Regulations and Guidelines

The Corporation's operations are subject to a variety of laws, regulations and guidelines relating to exploration, development, production, management, maintenance, transportation, storage and disposal of mining materials or discharge, and laws and regulations relating to health and safety, the conduct of operations and the protection of the environment. While, to the knowledge of the Corporation's management, the Corporation is currently in compliance with all such laws, changes to such laws, regulations and guidelines may have a material adverse effect on the business, results of operations and financial condition of the Corporation.

Environmental and Employee Health and Safety Regulations

Hemlo's operations are subject to environmental and safety laws and regulations concerning, among other things, emissions and discharges to water, air and land; the handling and disposal of hazardous and non-hazardous materials and wastes; and employee health and safety. Hemlo expects to incur ongoing costs and obligations related to compliance with environmental and employee health and safety matters. Failure to comply with environmental and safety laws and regulations may result in additional costs for corrective measures, penalties or restrictions on the Corporation's operations. In addition, changes in environmental, employee health and safety or other laws, more vigorous enforcement thereof, or other unanticipated events, could require extensive changes to Hemlo's operations or give rise to material liabilities, which could have a material adverse effect on the business, results of operations and financial condition of Hemlo.

Unknown environmental risks for past activities

Exploration and mining operations involve the potential risk of releases of metals, chemicals, fuels, liquids having acidic properties and other contaminants to soil, air, surface water and groundwater. In recent years, regulatory requirements and improved technology have significantly reduced those risks. However, those risks have not been eliminated, and the risk of environmental contamination from present and past exploration or mining activities exists for all mining companies. Hemlo may be liable for environmental contamination and natural resource damages relating to the properties that it currently owns or operates or may own or operate in the future or at which environmental contamination occurred while or before Hemlo owned or operated Hemlo Mine. No assurance can be given that potential liabilities for such contamination or damages caused by past activities at these properties do not exist.

Environmental hazards present risks to the Corporation's operations

Exploration, development and operation of mineral projects and mining operations involve numerous potential environmental risks including risks to flora and fauna, air quality, water quality and water quantity. Any compromise of the physical or chemical stability of infrastructure could result in environmental damage. Waste rock, which may contain hazardous minerals, is produced by mining activity and metal extraction processes typically produce tailings. Waste rock and tailings must be disposed of (occasionally together) and are typically stored in engineered facilities that are designed, constructed, operated and closed in compliance with federal and state requirements and standard industry practices. Hazards such as uncontrolled seepage or geotechnical failure of retaining dams around tailings disposal areas, however, may result in environmental pollution and consequent liability.

Additionally, the collection, treatment and disposal of fresh and recycled water at mining operations are subject to strict regulation and involve potential environmental risks. Should collection or management systems fail, overflow or not operate properly, untreated water or other contaminants could be discharged into the environment and cause ecological damage, damage to aquatic life, damage to persons or property, and economic damages.

Environmental hazards or adverse environmental conditions, unknown at present, may exist on the Corporation's mineral projects and Hemlo may become liable for such environmental hazards including if caused by previous owners or operators of the properties.

The Corporation may be subject to fines, penalties and enforcement actions if it fails to comply with applicable environmental laws, regulations and permitting requirements, causing operations to cease or be curtailed. Corrective measures necessitating capital expenditures, installation of additional equipment, remedial actions and/or compensation to parties suffering loss or damage may be required.

Climate change may adversely affect the Corporation's operations

There is significant evidence of the effects of climate change on our planet and an intensifying focus on addressing these issues. While the Corporation is committed to operating responsibly and to mitigating any negative effects to the environment that may result from its current activities and any future operations, the ability to reduce greenhouse gas emissions, energy usage and water usage is limited by available technologies, logistics and economics. The Corporation's ability to respond to societal, governmental and investor concerns about climate change and expanding climate change regulations may have significant impacts on our activities, future operations, financial condition and corporate reputation.

The potential impacts of climate change may also adversely impact Hemlo's activities and operations. Climate-related events such as extreme weather events, mudslides, floods, and droughts could result, now and in the future, in damage to the Corporation's facilities, damage to existing or future access routes to and from the Corporation's properties and operations, disruptions in the movement of people and materials, risks to the safety and security of our personnel and to communities, shortages of required supplies such as fuel and chemicals, and the curtailment of activities. There is no assurance that the Corporation will be able to anticipate, respond to, or manage the risks associated with physical climate change events and impacts, and this may result in material adverse consequences to its business plans, social license and financial results.

Seismic activity may impact the Corporation's projects

The Corporation's mineral projects are located near geologically active tectonic plate boundaries capable of generating earthquakes and tsunamis which are sometimes sufficient to produce significant damage to property and infrastructure. Normally, larger magnitude earthquakes that may impact the Corporation's mineral project are focused along the coast of North America, far from mining centers, but the potential exists for a seismic event to cause physical damage the Corporation's properties or office locations, significantly impact access to its projects, or damage critical infrastructure facilities such as harbors, power generating or transmission facilities or airports.

Infrastructure

Mining, processing, development and exploration activities depend, to one degree or another, on adequate infrastructure. Reliable roads, bridges, power sources and water supplies, as well as the location of population centers and pools of labour, 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 impact the Corporation's ability to explore its properties, thereby adversely affecting its business and financial condition.

Uninsured Hazards

Mining operations generally involve a high degree of risk. Exploration, development and production operations on mineral properties involve numerous risks, including but not limited to unexpected or unusual geological operating conditions, seismic activity, rock bursts, cave-ins, fires, floods, landslides, earthquakes and other environmental occurrences, risks relating to the shipment of precious metal concentrates or ore bars, and political and social instability, any of which could result in damage to, or destruction of, the mine and other producing facilities, damage to life or property, environmental damage and possible legal liability. Although the Corporation believes that appropriate precautions to mitigate these risks are being taken, operations are subject to hazards such as equipment failure or failure of structures, which may result in environmental pollution and consequent liability. It is not always possible to obtain insurance against all such risks and the Corporation may decide not to insure against certain risks because of high premiums or other reasons. Should such liabilities arise, they could reduce or eliminate the Corporation's future profitability and result in increasing costs and a decline in the value of the Hemlo Shares.

While the Corporation may obtain insurance against certain risks in such amounts as it considers adequate, the nature of these risks is such that liabilities could exceed policy limits or be excluded from coverage. The potential costs that could be associated with any liabilities not covered by insurance or in excess of insurance coverage may cause substantial delays and require significant capital outlays, thereby adversely affecting the Corporation's business and financial condition.

Business Risks

Risks Related to Reliance on Barrick Following Completion of the Hemlo Transaction

In connection with the closing of the Hemlo Acquisition, the Corporation and Barrick entered into the transition services agreement (the "**Transition Services Agreement**") pursuant to which Barrick agreed to provide, or cause to be provided, certain services to the Corporation that are required for the operation of the Hemlo Mine for a transitional period until November 30, 2026. As a result, the Corporation is reliant on Barrick's personnel, good faith, contractual compliance, expertise and judgment in providing the services under the Transition Services Agreement, where the Corporation's ability to manage operational risks may be limited. Accordingly, the Corporation may be exposed to adverse developments in the business and affairs of Barrick, its management and to its financial strength.

There can be no assurance that the services provided by Barrick pursuant to the Transition Services Agreement will continue to be adequate for the Corporation to operate the Hemlo Mine and facilitate the efficient and effective transition of business operations as currently contemplated, or at all. If Barrick does not continue to perform the services under the Transition Services Agreement, the operations and financial performance of the Hemlo Mine may be negatively affected, which could have a material adverse effect on the business, financial condition and future performance of the Corporation. If, after the expiration of the Transition Services Agreement, the Corporation 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 Corporation may experience operational problems and an increase in its costs.

Start-up of Operating Activities

Prior to the Hemlo Acquisition, the Corporation had no source of operating cash flow other than through equity and/or debt financing. Hemlo became the owner and operator of the Hemlo Mine on November 26, 2025, but did not commence sales until January 2026. As of December 31, 2025, the Corporation had an accumulated deficit of $75.8 million and working capital of approximately $110.7 million. The Corporation expects the Hemlo Mine to generate cash flow under its ownership during the current fiscal year; however, the level of cash flow (after all operational expenses, royalties, taxes, and streams) generated by the Hemlo Mine during the current and future fiscal years is subject to numerous factors, many of which may be outside of the Corporation's control and will only be determined after the operational transition has been completed.

There are risks associated with the Credit Facilities

As of the date of this AIF, the Corporation has incurred debt through the senior secured Credit Facilities in the amount of US$150.0 million, with US$96.5 million available to be further drawn and US$3.5 million issued under letters of credit against the Credit Facilities (see "*Three Year History and Significant Acquisitions*", above), which will require the Corporation to dedicate a portion of its cash flow from operations to debt repayments, thereby reducing the availability of the Corporation's cash flow to fund working capital, capital expenditures, acquisitions, other general corporate purposes. If the Corporation is unable to generate sufficient cash flows to satisfy its debt obligations, or to refinance its indebtedness on commercially reasonable terms, or at all, its financial position and results of operations could be materially impacted and/or the Corporation could be subject to significant dilution of its share capital.

Global economic conditions may affect the Corporation's ability to advance the Hemlo Mine

Global financial conditions continue to be characterized as volatile. In recent years, global markets have been adversely impacted by, among other things, various credit crises and significant fluctuations in fuel and energy costs and prices of other input costs. Many industries, including the mining industry, have been impacted by these market conditions. Global financial conditions remain subject to sudden and rapid destabilizations in response to future events, as government authorities may have limited resources to respond to future crises. A slowdown in the financial markets or other economic conditions, including but not limited to consumer spending, employment rates, business conditions, inflation, fuel and energy costs, consumer debt levels, lack of available credit, the state of the financial markets, interest rates, tax rates and foreign exchange rates, may adversely affect the Corporation's growth and profitability. Future crises may be precipitated by any number of causes, including natural disasters, geopolitical instability, changes to energy prices or sovereign defaults. If increased levels of volatility continue or in the event of a rapid destabilization of global economic conditions, it may result in a material adverse effect on commodity prices, demand for metals, including gold, availability of credit, investor confidence, and general financial market liquidity, all of which may adversely affect the Corporation's business, financial condition and results of operations, including a negative impact on the market price of the Corporation's securities.

Currency and exchange rate fluctuations could affect the Corporation's financial condition

The Corporation is headquartered in Canada. The Corporation's revenues are primarily in U.S. dollars, and based on the price of gold. The Corporation's expenses are denominated primarily in Canadian dollars. The appreciation of the Canadian dollar against the U.S. dollar can increase the cost of gold production and capital expenditures in U.S. dollar terms. Consequently, fluctuations in the U.S. dollar against the Canadian dollar increase volatility of cost of sales, general and administrative expenses, exploration and evaluation expenditures, other expenses, income tax expense and overall net loss, when translated to U.S. dollars. The Corporation avoids significant exposure to currency fluctuations by holding the majority of its treasury in U.S. dollars, which it exchanges into other currencies on an as-needed basis. As of December 31, 2025, approximately 76% of the Corporation's consolidated cash balance was held in U.S. dollars and 24% in Canadian Dollars.

There are risks associated with counterparties

Hemlo has contracts and agreements in place with various counterparties, including companies that provide contractual services at, or related to, its operations, financial institutions that hold the Corporation's cash and short-term investments, and insurance providers. Although the Corporation makes efforts to limit the risk that these counterparties will default on their contractual obligations, the Corporation must rely to an extent on the performance of these third-party service providers.

It may not be possible to effect service of process on some of the directors

As certain of the Corporation's directors live outside of Canada, it may not be possible to effect service of process on them. Furthermore, since all or a substantial portion of the assets of non-Canadian directors are located outside Canada, it may be difficult to enforce judgments against them obtained in Canadian courts.

There may be conflicts of interest

The Directors and officers may serve as directors or officers of other resource companies or have significant shareholdings in other resource companies and, to the extent that such other companies may participate in ventures or compete for mineral properties in which the Corporation may participate, the directors of the Corporation may have a conflict of interest in negotiating and concluding terms respecting the extent of such participation. In the event that such a conflict of interest arises at a meeting of the Corporation's directors, a director who has such a conflict will abstain from voting for or against the approval of such participation or such terms in accordance with the *Canada Business Corporations Act*. See "*Directors and Officers*".

Insurance may not be available to cover the gamut of risks associated with mineral exploration, development and mining

The mining industry is subject to significant risks that could result in damage to or destruction of property and facilities, personal injury or death, environmental damage and pollution, delays in production, expropriation of assets and loss of title to mining claims. No assurance can be given that insurance to cover the risks to which the Corporation's activities are subject will be available at all or at commercially reasonable premiums. The Corporation maintains insurance within ranges of coverage that it believes to be consistent with industry practice for companies of a similar stage of development. The Corporation carries liability insurance with respect to its mineral exploration operations which includes a form of environmental liability insurance. Since insurance against environmental risks (including liability for pollution) or other hazards resulting from exploration and development activities is prohibitively expensive, the Corporation's insurance coverage is limited. The payment of any such liabilities would reduce the funds available to the Corporation. If the Corporation is unable to fully fund the cost of remedying an environmental problem, it might be required to suspend operations or enter into costly interim compliance measures pending completion of a permanent remedy.

The regulatory and compliance costs of being a public company generally increase over time

Legal, accounting, listing fees and other expenses associated with public company reporting requirements generally increase over time as a result of increasing requirements and inflation in the cost of services. In addition to the costs associated with maintaining listings of the Hemlo Shares on the TSXV, the Corporation anticipates that costs related to disclosure obligations and compliance with evolving securities legislation in Canada, the United States and internationally may continue to increase.

For U.S. Shareholders – Passive Foreign Investment Company ("PFIC") Classification could result in materially adverse U.S. federal income tax consequences

The Corporation expects to be classified as a passive foreign investment company ("**PFIC**") under the meaning of Section 1297 of the United States Internal Revenue Code of 1986, as amended (the "**US Tax Code**"), for its tax year ended December 31, 2025. The Corporation's PFIC status for any taxation year is a factual determination that depends on, among other things, the composition of its income and assets and the value of its assets from time to time. In 2025, the Corporation's revenues were derived primarily from passive income on its cash investments, and accordingly the Corporation expects to be classified as a PFIC for such year. In 2026 and future years, the Corporation expects to earn revenues primarily from its ownership and operation of the Hemlo Mine, and accordingly the Corporation does not expect to be classified as a PFIC for 2026 and future tax years. If the Corporation is or was a PFIC for any taxation year during which a United States person (as defined in the US Tax Code) owns common shares (e.g., for U.S. investors who acquired shares in 2025), then such U.S. holder may be subject to potentially materially adverse U.S. federal income tax consequences, including, among other things, (i) the treatment of any gain realized on a disposition of common shares and certain excess distributions as ordinary income (rather than capital gain with respect to the disposition of common shares), and (ii) the imposition of an interest charge on certain deferred tax amounts. In addition, under applicable U.S. federal income tax rules, if the Corporation was a PFIC for any taxation year during which a U.S. holder owns common shares, then such shares will generally continue to be treated as shares of a PFIC with respect to such holder for all subsequent years (even if the Corporation ceases to be a PFIC), unless certain elections are made by such holder. A U.S. taxpayer may, in certain circumstances, be able to mitigate or eliminate the adverse U.S. federal income tax consequences of the PFIC rules by making a "qualified electing fund" ("**QEF**") election, a mark-to-market election, or a deemed disposition election, each of which may result in the recognition of income or gain and may require the provision of certain information by the Corporation. The PFIC rules are complex, and U.S. holders should consult their own tax advisors regarding the application of the PFIC rules to their investment in the Corporation's common shares, including the availability and consequences of any elections that may be made to mitigate the adverse tax consequences of PFIC status.

Compliance with Canadian corporate governance related regulations including, without limitation, requirements under National Instrument 52-109 – *Certification of Disclosure in Issuers' Annual and Interim Filings,* National Instrument 52-110 – *Audit Committees* ("**NI 52-110**") and National Instrument 58-201 – *Disclosure of Corporate Governance Practices,* may make director and officer liability insurance increasingly expensive and the Corporation may be required to accept reduced policy limits and coverage or incur substantially higher costs to obtain the same or similar coverage. As a result, it may be more difficult for the Corporation to attract and retain qualified individuals to serve on its board of directors or as executive officers.

MINERAL PROJECTS

Hemlo Mine

On November 26, 2025, Hemlo completed its acquisition of the Hemlo Mine. Details regarding the terms of this acquisition are provided above under "*Three Year History and Significant Acquisitions – Significant Acquisition*". The Corporation has filed a technical report in respect of the Hemlo Mine, entitled "NI 43-101 Technical Report, Hemlo Mine, Ontario, Canada", dated as of October 27, 2025 (with an effective date of December 31, 2024) (the "**Hemlo Mine Technical Report**") prepared, reviewed and approved by Brian Hartman, P.Geo., Lance Engelbrecht, P. Eng., Marc Rougier, P. Eng., James Smith, P. Eng., Jason Allen, P. Eng., Jason J. Cox, P. Eng., Siavash Farhangi, P. Eng. And Gonzalo Rios, FAusIMM, each of whom is a "qualified person" for purposes of NI 43-101. As of the date of this AIF, the Hemlo Mine is the only material mineral project of the Corporation within the meaning of NI 43-101.

Current Technical Report

Information relating to the Hemlo Mine contained in this section is derived (with certain modifications to reflect the Hemlo Transaction and supplemented to reflect new updates as of the date of this AIF) from the Hemlo Mine Technical Report. The Hemlo Mine Technical Report, including information on methodology (key assumptions and parameters), is available electronically on the system for electronic data analysis and retrieval + ("**SEDAR+**") (www.sedarplus.ca) under the Corporation's issuer profile.

Scientific and technical information contained in this AIF was reviewed and approved in accordance with NI 43-101 by Mr. Dutaut and Mr. Tsafaras, both "qualified persons" within the meaning of NI 43-101.

Property Description, Location and Access

The Hemlo Mine is located in Bomby Township, in northwestern Ontario, Canada, just north of Lake Superior on the Trans-Canada Highway, approximately 35 kilometers east of the town of Marathon, Ontario. The center of the property is located at 580,681 mE and 5,394,349 mN (UTM Zone 16, NAD83), 85°54° W longitude and 48°41° N latitude. The Hemlo Mine benefits from excellent road access, transportation and communication links. The main Canadian Pacific Railway line lies just south of the Hemlo Mine, with a major electrical transmission corridor to the north.

The property consists of the Williams Mine and processing facility at the western end, the former Golden Giant Mine in the center, and the former David Bell Mine at the eastern end.

Figure 1: Location of the Hemlo Mine

Land Tenure

Land tenure interests at Hemlo Mine include freehold patents, leasehold patents, and unpatented mining claims. The Corporation (through its wholly-owned subsidiary, HMOC) holds a 100% interest in all patents and claims that comprise the Hemlo Mine property, except for Mining Lease LEA-108070 (mining rights only) for which Lac Properties Inc. holds the interest.

Barrick acquired an initial 50% interest in the Williams Mine and the David Bell Mine in 2001, through its acquisition of Homestake Mining Company. Barrick acquired the remaining 50% interest held by Teck Cominco Ltd. ("**Teck**"), in 2009. In September 2010, Barrick completed the acquisition of the past-producing Golden Giant Mine from Newmont Mining Corporation ("**Newmont**"). In March 2015, Barrick acquired certain lands to the west and north of the Williams Mine, as well as claims underlying the Molson Lake tailings management facility ("**TMF**"). In November 2025, the Corporation completed the Hemlo Transaction, pursuant to which it acquired the Hemlo Mine.

As a result of the Hemlo Transaction, the Corporation's wholly-owned subsidiary, HMOC, holds the surface rights to all mining patents and has the right to access the surface lands of all unpatented claims associated with the Hemlo Mine.

All patents and claims are in good standing as of the date of the Hemlo Mine Technical Report in that realty and mining land taxes are paid for and all patents and assessment credits have been applied to all unpatented mining claims. The unpatented mining claims cover an area of 5,566 ha.

Table 1.1 below shows the land tenure holdings of the Hemlo Mine and surrounding area.

Table 1.1: Patents and Leases of the Mine Property

Tenure Number	Title Type	Disposition	Area (ha)	Short Legal Description
LEA-107724	Lease	Mining and Surface Rights	217.31	CLM277
LEA-107762	Lease	Mining and Surface Rights	145.06	CLM278
LEA-107763	Lease	Mining and Surface Rights	362.92	CLM272
LEA-107764	Lease	Mining and Surface Rights	375.62	CLM271
LEA-107765	Lease	Mining and Surface Rights	24.08	TB673886 & TB673889
LEA-107768	Lease	Mining and Surface Rights	191.16	CLM284
LEA-107779	Lease	Mining and Surface Rights	381.54	CLM274
LEA-107780	Lease	Mining and Surface Rights	428.38	CLM273
LEA-108031	Lease	Surface Rights only	334.22	CLM302
LEA-108032	Lease	Mining and Surface Rights	0.53	TB609035 & TB646504
LEA-108070	Lease	Mining Rights only	334.22	CLM302
LEA-109480	Lease	Mining and Surface Rights	141.03	TB687195 and others
LEA-109910	Lease	Mining and Surface Rights as to Part 1 Mining Rights only as to Parts 2, 3 and 4 on Plan 55R-14424	923.90	CLM550
LEA-110143	Lease	Mining and Surface Rights	33.10	CLM285 (now Location CL19228)
LEA-110145	Lease	Mining and Surface Rights	43.37	CLM285 (now Location CL19229)
PAT-16141	Patent	Mining and Surface Rights	7.78	TB32154
PAT-16142	Patent	Mining and Surface Rights	19.10	TB32155
PAT-16143	Patent	Mining and Surface Rights	14.82	TB32156
PAT-16144	Patent	Mining and Surface Rights	12.54	TB32157
PAT-16145	Patent	Mining and Surface Rights	6.48	TB32158
PAT-16146	Patent	Mining and Surface Rights	8.00	TB32159
PAT-16147	Patent	Mining and Surface Rights	12.78	TB32051
PAT-16148	Patent	Mining and Surface Rights	13.69	TB32050
PAT-16149	Patent	Mining and Surface Rights	11.82	TB32053
PAT-16150	Patent	Mining and Surface Rights	25.69	TB32055
PAT-16151	Patent	Mining and Surface Rights	26.38	TB32054
PAT-17589	Patent	Mining and Surface Rights	18.02	PT TB549612
PAT-17590	Patent	Mining and Surface Rights	274.98	TB549608 and others
PAT-17595	Patent	Mining and Surface Rights	13.93	PT TB673887

Tenure Number	Title Type	Disposition	Area (ha)	Short Legal Description
PAT-17596	Patent	Mining and Surface Rights	3.00	PT TB549612
PAT-17597	Patent	Mining and Surface Rights	13.04	PT TB673888
PAT-30033	Patent	Mining and Surface Rights	173.46	CLM275

Table 1.2 below shows the unpatented claims of the Hemlo Property.

Table 1.2: Unpatented Claims of the Hemlo Property

Tenure Number	Title Type	Expiry Date	Holder
104214	Boundary Cell Mining Claim	10/15/2027	HMOC
118978	Boundary Cell Mining Claim	3/7/2027	HMOC
119207	Boundary Cell Mining Claim	10/5/2027	HMOC
120572	Boundary Cell Mining Claim	10/5/2027	HMOC
122175	Boundary Cell Mining Claim	3/7/2027	HMOC
124767	Boundary Cell Mining Claim	10/15/2027	HMOC
129499	Boundary Cell Mining Claim	10/5/2027	HMOC
139558	Boundary Cell Mining Claim	10/15/2027	HMOC
142388	Boundary Cell Mining Claim	9/4/2027	HMOC
145801	Boundary Cell Mining Claim	10/15/2027	HMOC
146317	Boundary Cell Mining Claim	10/15/2027	HMOC
158536	Boundary Cell Mining Claim	9/4/2027	HMOC
160355	Boundary Cell Mining Claim	9/18/2027	HMOC
160633	Boundary Cell Mining Claim	9/4/2027	HMOC
174736	Boundary Cell Mining Claim	10/15/2027	HMOC
175581	Boundary Cell Mining Claim	10/5/2027	HMOC
177794	Boundary Cell Mining Claim	10/15/2027	HMOC
177806	Boundary Cell Mining Claim	3/7/2027	HMOC
181484	Boundary Cell Mining Claim	10/15/2027	HMOC
187397	Boundary Cell Mining Claim	10/15/2027	HMOC
192865	Boundary Cell Mining Claim	10/15/2027	HMOC
193911	Boundary Cell Mining Claim	10/15/2027	HMOC
194345	Boundary Cell Mining Claim	10/15/2027	HMOC
200876	Boundary Cell Mining Claim	10/15/2027	HMOC
203671	Boundary Cell Mining Claim	10/15/2027	HMOC
203905	Boundary Cell Mining Claim	10/15/2027	HMOC
207095	Boundary Cell Mining Claim	3/7/2027	HMOC
220552	Boundary Cell Mining Claim	10/15/2027	HMOC

Tenure Number	Title Type	Expiry Date	Holder
221347	Boundary Cell Mining Claim	10/15/2027	HMOC
223169	Boundary Cell Mining Claim	3/7/2027	HMOC
223716	Boundary Cell Mining Claim	3/7/2027	HMOC
230892	Boundary Cell Mining Claim	10/15/2027	HMOC
232402	Boundary Cell Mining Claim	10/5/2027	HMOC
238410	Boundary Cell Mining Claim	9/4/2027	HMOC
241109	Boundary Cell Mining Claim	9/4/2027	HMOC
243895	Boundary Cell Mining Claim	3/7/2027	HMOC
244610	Boundary Cell Mining Claim	10/5/2027	HMOC
244611	Boundary Cell Mining Claim	10/5/2027	HMOC
245841	Boundary Cell Mining Claim	10/15/2027	HMOC
260981	Boundary Cell Mining Claim	10/15/2027	HMOC
260989	Boundary Cell Mining Claim	3/7/2027	HMOC
261043	Boundary Cell Mining Claim	3/7/2027	HMOC
261123	Boundary Cell Mining Claim	10/15/2027	HMOC
262318	Boundary Cell Mining Claim	10/15/2027	HMOC
268778	Boundary Cell Mining Claim	9/4/2027	HMOC
268805	Boundary Cell Mining Claim	9/4/2027	HMOC
269498	Boundary Cell Mining Claim	9/4/2027	HMOC
286811	Boundary Cell Mining Claim	10/15/2027	HMOC
289264	Boundary Cell Mining Claim	9/18/2027	HMOC
306970	Boundary Cell Mining Claim	9/4/2027	HMOC
309546	Boundary Cell Mining Claim	10/5/2027	HMOC
315534	Boundary Cell Mining Claim	10/15/2027	HMOC
316652	Boundary Cell Mining Claim	9/4/2027	HMOC
322002	Boundary Cell Mining Claim	10/15/2027	HMOC
322876	Boundary Cell Mining Claim	10/15/2027	HMOC
325978	Boundary Cell Mining Claim	3/7/2027	HMOC
326910	Boundary Cell Mining Claim	3/7/2027	HMOC
326964	Boundary Cell Mining Claim	3/7/2027	HMOC
332514	Boundary Cell Mining Claim	9/4/2027	HMOC
335233	Boundary Cell Mining Claim	10/15/2027	HMOC
726117	Multi-cell Mining Claim	10/5/2027	HMOC
726132	Multi-cell Mining Claim	10/15/2027	HMOC
726152	Multi-cell Mining Claim	10/15/2027	HMOC
726155	Multi-cell Mining Claim	10/15/2027	HMOC

Tenure Number	Title Type	Expiry Date	Holder
726156	Multi-cell Mining Claim	10/15/2027	HMOC
726157	Multi-cell Mining Claim	8/11/2027	HMOC
726158	Multi-cell Mining Claim	8/21/2027	HMOC
726159	Multi-cell Mining Claim	10/15/2027	HMOC
726160	Multi-cell Mining Claim	10/15/2027	HMOC
726161	Multi-cell Mining Claim	3/7/2027	HMOC
726162	Multi-cell Mining Claim	3/7/2027	HMOC
726163	Multi-cell Mining Claim	3/7/2027	HMOC

Hemlo Streams, Royalties and NSRs

There are multiple royalties, back-in rights, payments, or other agreements and encumbrances to which the Hemlo Mine is subject. The royalties for the Hemlo Mine are summarized in Table 2 below.

Table 2: Summary of Royalties for the Mine

Site	Company/Party	Type	%	$	Comments	Net Royalty
Williams	Lola Williams Current Payee: The Williams Co (0.5%) (Computershare)	NSR	1.50%	CDN	Payable on minerals from: Former PIN 62446- 008 (now included within consolidated PIN 62446-39), Specifically covering the following parcels: Claims in Bomby Township (73) as marked on Plan No. M33-NTC 42-C/12 Thunder Bay Mining Division T.B. 32154 - Entered as Parcel 9170 T.B. 32155 - Entered as Parcel 9171 T.B. 32156 - Entered as Parcel 9172 T.B. 32157 - Entered as Parcel 9175 T.B. 32158 - Entered as Parcel 9173 T.B. 32159 - Entered as Parcel 9174 T.B. 32051 - Entered as Parcel 9203 T.B. 32052 - Entered as Parcel 9204 T.B. 32053 - Entered as Parcel 9205 T.B. 32054 - Entered as Parcel 9206 T.B. 32055 - Entered as Parcel 9207	1.500%
	Barrick buy back of Lola Williams Current Payee: Barrick Gold (Williams Operating Corporation) (1.0%) (Computershare)		1.00%	CDN	Barrick has bought back 2/3's of the Lola Williams Royalty making it in effect a 0.5% NSR.	-1.000%
	River Oaks Gold Corporation Current	NSR	0.75%	CDN	Payable from minerals from: Former PIN 62446-008 (now included within	0.750%

Site	Company/Party	Type	%	$	Comments	Net Royalty
	payees 10213 Yukon Limited. Triple Flag Precious Metals. International Royalty Corporation.				consolidated PIN 62446-39). Specifically covering the following parcels: Claims in Bomby Township, Thunder Bay Mining Division T.B. 32154 - Entered as Parcel 9170 T.B. 32155 - Entered as Parcel 9171 T.B. 32156 - Entered as Parcel 9172 T.B. 32157 - Entered as Parcel 9175 T.B. 32158 - Entered as Parcel 9173 T.B. 32159 - Entered as Parcel 9174 T.B. 32051 - Entered as Parcel 9203 T.B. 32052 - Entered as Parcel 9204 T.B. 32053 - Entered as Parcel 9205 T.B. 32054 - Entered as Parcel 9206 T.B. 32055 - Entered as Parcel 9207	
	Initial Unit Holders Current Payees: International Royalty Corporation (720 Units) Ron Slaght (50 Units) Joan Elizabeth Enczner (50 Units) Williams Operating Corporation (WOC) (80 Units) Nell Dragovan (50 Units) David Bell (50 Units) (Computershare)	NSR	0.01	CDN	Payable on minerals from: Former PIN 62446- 008 (now included within consolidated PIN 62446-39) Specifically covering the following parcels: T.B. 32154 - Entered as Parcel 9170 T.B. 32155 - Entered as Parcel 9171 T.B. 32156 - Entered as Parcel 9172 T.B. 32157 - Entered as Parcel 9175 T.B. 32158 - Entered as Parcel 9173 T.B. 32159 - Entered as Parcel 9174 T.B. 32051 - Entered as Parcel 9203 T.B. 32052 - Entered as Parcel 9204 T.B. 32053 - Entered as Parcel 9205 T.B. 32054 - Entered as Parcel 9206 T.B. 32055 - Entered as Parcel 9207	0.01%
	Mining tax deduction on IUH		0.085%	CDN	Royalty and the agreement allows for an 8.5% deduction for mining taxes making it in effect a 0.782% NPI.	-0.085%
	Barrick buy-back of IUH		0.073%		Barrick has bought back 8% of the IUH	-0.073%
	Williams Subtotal					**2.092%**
David Bell[1]	McKinnon	NSR	1.50%	CDN	Covers all David Bell Production from the following claims: TB 549608 TB 549609 TB 549610 TB 549611 TB 549612	1.50%

[1] Reflects the balance of the royalty, after the purchase of a 1.5% net smelter returns royalty on February 12, 2026. See "*General Development of the Business - Recent Developments*" above.

Site	Company/Party	Type	%	$	Comments	Net Royalty
					TB 555005 TB 555006 TB 554061 TB 554062 TB 555063 TB 555064 TB 555065 TB 555066 TB 555067 TB 577521 TB 577526 TB 577527	
Golden Giant	Newmont Canada Corp. ("Newmont Canada")	GRR	3.00%-3.50% (Variable)	US	Golden Giant SP/QC and Golden Giant Zone Production for the following properties: PIN 62446-0009 PIN 62446-0010 PIN 62446-0013 PIN 62446-0014 PIN 62446-0015	3.00% -3.50% (Variable)
Interlake Property	Franco-Nevada Corporation	NPI	50.00%	CDN	50% NPI on the UG Interlake Property becomes effective once WOC has recovered all costs attributable to mining on the property. Covers production from PIN 62446-0007 (LT) Mining Lease Number: 109480 Mining Claims: TB 687195; TB 701681: TB 701682; TB 701683; TB 701684	50.00%
		NSR	3.00%	CDN	WOC pays a 3% underlying royalty on all UG Interlake production, these royalty costs are recoverable under the terms of the above 50% NPI Covers minerals from PIN 62446-0007 (LT) Mining Lease Number: 109480 Mining Claims: TB 687195; TB 701681: TB 701682; TB 701683; TB 701684	3.00%

Site	Company/Party	Type	%	$	Comments	Net Royalty
NAE Claims	North American Exploration Ltd	NSR	3.00%	CDN	Covers all claims purchased from North American Exploration Ltd which are the following unpatented Mining Claims: 4267354 4267355 4267357 4267359 4267356 4267358 4267360 4261122 4261118 4258148 4258150 4258149 4261123 4261120 4261119 4261121 4263499 As of August 17, 2015, Barrick abandoned the following unpatented mining claims: 4267354 4267355 4267357 4267359 4267356 4267358 4267360	3.00%
MetalCorp Claims	MetalCorp Limited	NSR	2.00%	CDN	Covers all claims purchased from MetalCorp which are the following unpatented Mining Claims located in the Thunder Bay Mining Division, Bomby and Brothers Townships, Ontario, Canada: 4214151 4214170 4222578 Lands were recently converted to lease	2.00%

On February 17, 2026, the Corporation acquired and terminated a 1.5% net smelter return royalty covering 17 mineral claims associated with the past-producing David Bell Mine, located approximately one kilometre east of the current operations at the Hemlo Mine. See "*General Development of the Business – Recent Developments*".

In addition to the royalties summarized above, the Hemlo Mine has the following stream and offtake agreements:

- A stream with Wheaton covering gold production from the Hemlo Mine. Under the Wheaton gold stream, HMOC, a wholly-owned subsidiary of the Corporation, is required to deliver a percentage of refined gold production to Wheaton. The stream percentage is 10.125% of payable gold until 135,750 ounces of refined gold have been delivered, after which the stream percentage decreases to 6.75% until an additional 117,998 ounces are delivered, and then to 4.50% thereafter. Payment for streamed gold ounces is 20% of the market price. The agreement includes a US$300 million upfront deposit credited against future deliveries and requires ongoing monthly deliveries based on actual production and offtake payments.

- On October 7, 2025, HMOC entered into a refined gold offtake agreement (the "**Orion Offtake Agreement**") with OMF Fund IV SPV G LLC ("**Orion**"). Under this agreement, HMOC has committed to sell and deliver to Orion, and Orion has agreed to buy 50% of the refined gold produced from minerals processed at the Hemlo Mine, subject to certain deductions for refined gold subject to the Amended and Restated Net Profits Interest Royalty Agreement between Williams Operating Corporation and Franco-Nevada Corporation dated January 1, 2013. The Orion Offtake Agreement will remain in effect until 3,200,000 ounces of refined gold are outturned from the designated refinery and Orion receives its final delivery of its portion of refined gold from that outturn, unless terminated earlier pursuant to the terms of the Orion Offtake Agreement. Hemlo has provided an unconditional, absolute and, without limitation, guarantee of the Hemlo's obligations.

History

Minor gold findings were noted in the late 1800s after the Canadian Pacific Railroad's construction. Sporadic exploration work took place between the 1940s and 1980s.

Production began in 1985 at the David Bell Mine (Teck-Corona JV) and Page-William's mine (Lac Minerals, later awarded to Teck-Corona JV).

Noranda Mines Limited initiated the Golden Giant JV (1982), leading to production from the Golden Giant property shaft in 1985. Control of Golden Giant passed to Hemlo Gold Mines, Inc., Battle Mountain Gold Canada Ltd., and eventually Newmont Canada Corporation.

Teck drilled the Interlake claims (1987-1988), later acquired by Franco-Nevada Corporation, which merged with Newmont Mining Corporation before reforming as a separate company in 2007.

Barrick consolidated the Hemlo Mine operations through acquisitions between 2009 and 2010, closing the David Bell Mine in 2014 and the Williams pit in 2020. Underground operations continue in the Williams, Golden Sceptre, and Interlake sectors.

The three mine sites at the Hemlo Mine have produced approximately 25 Moz of gold as of the end of 2024.

Geology and Mineralization

The Hemlo Mine deposit is an example of an orogenic gold deposit. Orogenic gold deposits are a significant type of gold deposits worldwide, responsible for a substantial portion of historical and current gold production. These deposits are primarily associated with metamorphic belts in orogenic (mountain-building) regions and are typically formed during compressional to transpressional tectonic regimes, typically in the late stages of orogeny.

The Hemlo Mine gold deposit occurs in the eastern half of the Schreiber-Hemlo greenstone belt, within the Wawa Subprovince of the Archean Superior Structural Province of Ontario. The geology of the eastern half of the Schreiber-Hemlo greenstone belt is designated as the Hemlo greenstone belt ("**HGB**"). Massive to pillowed, tholeiitic basalt flows and felsic to intermediate, calc-alkalic pyroclastic rocks with related sedimentary deposits dominate the western part of the HGB, whereas turbiditic wacke-mudstone and minor conglomerate deposits dominate the eastern part. The Hemlo gold deposit is in the south-central part of the HGB. In this area, volcano-sedimentary lithotectonic units dip to the north or north-northeast and are isoclinally folded and transposed within high-strain zones.

Metasedimentary rocks of the deposit are subdivided into volcaniclastic and epiclastic units. The volcaniclastic units comprise tuffaceous conglomerate, tuffaceous sandstone, and tuffaceous mudstone. Epiclastic units comprise sandstone, mudstone, and conglomerate, which incorporate nonvolcanic and volcanic detritus. A distinctive, intermediate-felsic intrusive unit is located in the central part of the deposit termed the Moose Lake Porphyry.

The primary mineralizing event introduced Au, S, Mo, Zn, As, Sb, Hg, Tl, W, K, Si, Fe, and V during or before early deformation and prior to peak metamorphism. Alteration includes feldspathization and sericitization, with significant silicification and pyritization in the ore zone. Subsequent remobilization events redistributed Au with stibnite (quartz veins), calc-silicate assemblages, and low-temperature sulphides.

The Hemlo Mine comprises several zones: David Bell, Golden Giant, Williams, and Golden Sceptre. The now-closed David Bell and Golden Giant mines produced gold primarily from altered fragmental and sedimentary rocks. Only the Williams Mine remains operational.

The Williams Mine includes three zones:

- A-Zone: Near-surface and mined out.
- B-Zone: Mineralization occurs at the contact between metasediments and MLP, with gold associated with pyrite in a quartz-feldspar matrix.
- C-Zone: Features parasitically folded mineralization in two styles: disseminated and vein-hosted, within either felsic MLP or heterolithic volcaniclastic/sedimentary rocks.

Mineralization dips 60–70° northeast and plunges approximately 45° northwest. The Footwall Zone lies 30–80 m into the footwall from the Main Zone.

Exploration and Drilling

Recent exploration has included a surface mapping and trenching program, drone magnetic surveying, soil surveys, and drill testing. No additional exploration (other than drilling) has been completed since 2021.

Diamond drilling at the Hemlo Mine property was conducted in phases by several companies from 1947 to 2025. By December 2025, a total of approximately 14 thousand diamond drill holes totaling over 2 million metres and approximately 2,500 grade control holes totaling more than 250 thousand metres have been completed.

Sampling and Analysis

All drill core samples submitted for analysis in 2024 and 2025 were prepared and analyzed at ALS Chemex ("**ALS**") with a preparation facility in Thunder Bay, Ontario and analytical facility in Vancouver, British Columbia. The laboratory is independent and ISO/IEC 17025:2017 and ISO 9001:2015 certified.

Check assaying is completed by Activation Laboratories Ltd. ("**Actlabs**") in Thunder Bay, Ontario. Actlabs is also independent and ISO/IEC 17025:2017 and ISO 9001:2015 certified.

A complete analytical laboratory is also located on the mine site adjacent to the core facility. Although this laboratory has been used to assay core drill holes in the past, since approximately 2019, it has only been used to assay underground samples (face and muck sampling) as well as samples from the mill. The on-site laboratory is not certified.

To ensure that assay results are reliable, the Corporation employs a quality assurance and quality control ("**QA/QC**") system to detect errors and minimize their occurrence. This includes adding certified reference materials ("**CRMs**") and blanks directly into the sample stream at regular intervals. Both ALS and Actlabs undertake rigorous internal QA/QC checks by inserting blanks, duplicates, and CRMs, and this data is reported alongside the sample results. The Corporation does not designate its own samples for duplicate analysis, but rather relies on the laboratory duplicate analyses to assess preparation and assaying quality. Data quality is reviewed daily as results are received from the laboratory and summarized each quarter in quality reports.

Data Verification

All point samples, drill holes, and geological data are managed on site and stored in a central acQuire SQL database. This database includes survey and geological data, such as collar locations, assay results, downhole surveys, hole depth, lithologies, alteration, mineralization, structural measurements, geotechnical data, SG, and sampling intervals. The database is managed by the site Database Manager.

The acQuire SQL database is configured for optimal validation, with constraints, library tables, triggers, and stored procedures. Data that fails these rules on import is either rejected or placed in buffer tables until corrected. Only authorized and trained users can upload laboratory data from digital files.

Drill core is logged directly into acQuire using project-specific geological codes to maintain consistency in results and conclusions. Automatic validations and table look-ups are also incorporated into the database to ensure the integrity of the data being loaded. A database manager oversees the data capture process, as well as importing external data such as laboratory assay results, into the database.

Drill hole collars have been validated against topographic surfaces and underground development shapes. Drill hole traces were visually checked to validate downhole surveys.

SLR reviewed assay certificates from a number of holes within the remaining Mineral Resource areas to compare the assay database against the original assay certificates. No errors were found.

Because the Hemlo Mine is a producing mine with a long history of gold production, no independent samples were required by SLR to demonstrate the existence of gold-bearing mineralization

Mineral Processing and Metallurgical Testing

The processing plant at Hemlo Mine (the Williams Mill) uses a conventional flowsheet consisting of crushing, grinding, gravity concentration and intensive cyanide leaching of the concentrate, cyanide leaching of the gravity tails, carbon adsorption in a CIP circuit, carbon elution and regeneration, electrowinning, and refining. The carbon adsorption tails are treated in a cyanide detoxification circuit using the SO2/air process, and a portion of the detoxified tailings is used for mine backfill via the Williams paste plant. Flotation is used to separate sulphides from the remainder of the detoxified tailings prior to deposition, un-thickened, in a conventional TMF. The sulphide concentrate is sent to a separate paddock within the larger TMF.

The mill was originally designed to process 3,000 dry tonnes per day ("**tpd**") when it started production in 1985. However, after several expansions and optimization modifications, the capacity reached approximately 10,000 tpd by 2004 (3.65 Mtpa). Between 2005 and 2019, throughput on an annual average basis ranged from 6,900 tpd to 9,600 tpd. After the closure of the Williams open pit in 2020, mill throughput decreased to between 3,000 tpd and 5,500 tpd during 2021 to 2025.

Mill feed grades decreased steadily between 2003 and 2018 from 4.9 g/t to 1.9 g/t, after which the closure of the open pit coincided with an increase in mill feed grades to range from 3.2 g/t to 3.7 g/t from 2020 to 2025. This corresponded with a small increase in recovery from 93% in 2018 to between 94% and 95% in later years.

Mineral Resources

The Mineral Resource estimates have been prepared according to CIM (2014) Standards as incorporated with NI 43-101. Mineral Resource estimates were also prepared using the guidance outlined in CIM (2019) MRMR Best Practice Guidelines.

The Mineral Resource estimate for the Hemlo Mine comprises the B-Zone and C-Zone block models. Both of these reviewed block models comprise all the mineralized domains representing the Hemlo deposit. The estimate was completed internally by Hemlo Mine staff and further reviewed and accepted by Brian Hartman, P. Geo. of SLR, a Registered Member of the Society for Mining, Metallurgy & Exploration, and a Practicing Member with Professional Geoscientists Ontario. The effective date of the Mineral Resource estimate is December 31, 2024.

The Hemlo Mine Mineral Resource represents both open pit and underground portions.

Underground Mineral Resources are constrained within optimized mining shapes at a gold cut-off grade that varies by material type, averaging 2.38 g/t Au using Deswik Stope Optimizer (DSO). All blocks within the resultant stope shapes, including waste, are reported within the underground Mineral Resource. Thus, it is considered a diluted resource which adheres to Reasonable Prospects for Eventual Economic Extraction considerations.

For the open pit, Mineral Resources are constrained within an optimized pit shell using the Lerchs-Grossmann algorithm applying reasonable pricing and cost inputs. The open pit Mineral Resource uses a 0.21 g/t Au cut-off grade.

Mineral Resources are reported inclusive of Mineral Reserves and have been depleted to December 31, 2024 using the mined-out surfaces and voids. Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability. The Hemlo Mine Mineral Resource is shown in Table 3 below.

Table 3: Hemlo Mineral Resource as of December 31, 2024

	Measured Resources			Indicated Resources			Measured + Indicated Resources			Inferred Resources		
	Tonnage (kt)	Grade (g/t Au)	Metal Content (koz Au)	Tonnage (kt)	Grade (g/t Au)	Metal Content (koz Au)	Tonnage (kt)	Grade (g/t Au)	Metal Content (koz Au)	Tonnage (kt)	Grade (g/t Au)	Metal Content (koz Au)
Open Pit												
Hemlo Open Pit	0	0.00	0	56,875	0.88	1,601	56,875	0.88	1,601	6,501	0.42	88
Subtotal Open Pit	0	0.00	0	56,875	0.88	1,601	56,875	0.88	1,601	6,501	0.42	88
Underground												
UG Excluding Interlake	2,587	4.19	349	7,475	4.24	1,020	10,062	4.23	1,368	2,096	3.78	255
Interlake Claim	1,750	4.89	275	2,594	4.57	381	4,345	4.70	656	1,224	7.13	281
Subtotal Underground	**4,337**	**4.47**	**624**	**10,069**	**4.33**	**1,401**	**14,406**	**4.37**	**2,025**	**3,320**	**5.02**	**535**
Total In Situ	**4,337**	**4.47**	**624**	**66,944**	**1.39**	**3,002**	**71,281**	**1.58**	**3,626**	**9,821**	**1.97**	**624**

Notes:

(1) The Mineral Resource estimate has been prepared according to CIM (2014) Standards and using CIM (2019) MRMR Best Practice Guidelines.
(2) Open Pit Mineral Resources are reported based on an economic pit shell. Underground Mineral Resources are constrained within stope shapes generated by Deswik Stope Optimizer. Refer to Section 14.12 of the Hemlo Mine Technical Report.
(3) Open Pit Mineral Resources are reported at a cut-off grade of 0.21 g/t Au. Underground Mineral Resources are reported on a diluted basis using a gold cut-off grade that varies by material type and mining method and averages 2.38 g/t Au.
(4) Both Underground and Open Pit Mineral Resources are estimated using a long-term gold price of US$1,900/oz.
(5) A constant SG value of 2.72 has been applied to all blocks in the model. Waste dump material is assigned an SG of 2.0.
(6) Mineral Resources are inclusive of Mineral Reserves.
(7) Mineral Resources have been depleted to December 31, 2024, using the mined-out surfaces and voids.
(8) Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability.
(9) Numbers may not add due to rounding.
(10) The QP responsible for this Mineral Resource estimate is Brian Hartman (P. Geo.) of SLR.

The QP is not aware of any environmental, permitting, legal, title, taxation, socio-economic, marketing, political, or other relevant factors that could materially affect the Mineral Resource estimate.

Mineral Reserves

The Mineral Reserves outlined in the Hemlo Mine Technical Report are based on Measured and Indicated Resources and exclude metal classified as Inferred Mineral Resources. The Mineral Reserve estimate follows the CIM (2019) MRMR Best Practice Guidelines.

Factors that may affect the Mineral Reserve estimates include but are not limited to the following: adjustments to gold price and exchange rate assumptions; changes in operating and capital cost estimates; dilution adjustments; changes to geotechnical and hydrogeological conditions; changes to mine execution performance; and changes to modifying factor assumptions; changes to assumptions used for environmental (rainfall, etc.), permitting, and impacts to the social license to operate. As the mine deepens or proceeds into remnant sections of the mine, mining recoveries and dilution could worsen, as geotechnical conditions deteriorate. Reserves could also be affected by financial agreements (royalties, metal streams, etc.) that are applied to the property, which lowers the expected revenue from metal sales, impacting operating margin and cut-off values which may impact the Mineral Reserves.

There is upside potential for the Mineral Reserve estimates if mineralization that is currently classified as Inferred Mineral Resources, which is contained within mineral reserve mining blocks and is being sent for processing as 0 g/t dilution, is converted to Mineral Reserves following further definition drilling not currently included in the study. There is also potential upside in the open pit Mineral Reserve with a depletion halo applied around the pit edge and underground workings, that may be recoverable in operation.

The Mineral Reserves for Hemlo are entirely Probable Reserves and are estimated to be 41.2 Mt at 1.75 g/t Au for 2.32 Moz Au as summarized in Table 4 below.

Table 4: Hemlo Mining Reserves

	Proven Reserves			**Probable Reserves**		
	Tonnage	**Grade**	**Metal Content**	**Tonnage**	**Grade**	**Metal Content**
	(kt)	**(g/t Au)**	**(koz Au)**	**(kt)**	**(g/t Au)**	**(koz Au)**
Hemlo Open Pit	-	-	-	28,446	0.85	781
Hemlo Underground	-	-	-	12,802	3.74	1,540
Total	-	-	-	41,249	1.75	2,321

Notes:

(1) The independent qualified person for the 2025 MRE, as defined by NI 43-101 guidelines, is Jason Allen, P. Eng. (#39170), of Entech Mining Ltd. The effective date of the estimate is December 31, 2024.
(2) The Hemlo Mine Mineral Reserve estimate follows the CIM (2019) MRMR Best Practice Guidelines.
(3) These Mineral Reserves have been diluted based on site geotechnical recommendations and have had a mining recovery applied.
(4) The Mineral Reserve is depleted for all mining to December 31, 2024.
(5) A minimum mining width of 3.0 m is used with an additional 1.5 m considered for overbreak. Alimak stopes have an average width of 6.6 m and longhole stopes have an average width of 9.1 m.
(6) The Mineral Reserve is reported using a US$134.1/t NSR breakeven cut-off value (COV), a US$110.8/t or US$120.0/t NSR stope incremental COV depending on mining method (US$120 /t or US$131/t when inputted into MSO considering backfill dilution), and a US$34.1 NSR marginal COV. Any material included in between the Marginal COV of US$34.1/t NSR used for mine planning and US$39.54/t NSR (average G&A, processing cost for 2025-2027) was deemed immaterial.
(7) Price assumptions are US$1,700/oz Au. Processing recovery was estimated at 92.8% with mine royalties of 2-3% applied, depending on claim (average of 2.092%). Mineral reserves do not reflect any material impact resulting from the Corporation having entered into the PMPA with Wheaton to finance the purchase of the Hemlo operations.
(8) Estimates use metric units (metres (m), tonnes (t), and g/t). Metal contents are presented in troy ounces (metric tonne x grade / 31.103475).

The independent QP of the Hemlo Mine Technical Report is not aware of any environmental, permitting, legal, title-related, taxation, socio-political or marketing issues, or any other relevant issue that could materially affect the Mineral Reserve estimate.

Mining Operations

The Hemlo Mine operates as an underground operation that employs longhole and Alimak stoping with backfill. Pastefill is used in most voids, with some voids being filled with uncemented rockfill.

Longhole stoping with pastefill is mostly used in the operation with Alimak considered in the upper C-Zone. Future mining plans considers longhole stoping with pillars in place of backfill, where limited pastefill infrastructure exists or insufficient waste is available to place in mined voids.

Longhole stoping (LHS) is the primary method employed underground, accounting for more than 80% of underground stope production. Target sublevel spacing is 30 m, or between existing development levels, with a target strike length of 20 m. Strike lengths may vary depending on orebody continuity, geometry, and ground conditions.

Alimak makes up for the remainder of underground stope production with sublevel spacing reaching up to 150 m vertically. Target strike lengths for stopes are 20 m, though they can vary depending on orebody continuity, geometry, and ground conditions. Alimak is mostly employed in the upper C-Zone, where stope strikes are limited along strike and extend vertically over multiple levels.

The average stope width for LHS is 9.1 m and the average width for Alimak stoping is 6.6 m. Total unplanned dilution is estimated to be 26%–30% and is based on performance at site. Mine production is estimated to range between 1.1 Mtpa and 1.4 Mtpa over nine years with mined metal estimated to range between 130 koz and 190 koz per annum.

Hemlo has a historical open pit that mined the upper portions of the C-Zone. The study assesses a cutback to the west to supplement the underground operation commencing in 2027 and targeting completion in 2034.

To reduce fixed costs being applied to the lower margin pit, a smaller pit shell was selected (equivalent to a US$1,400 /oz pit shell) for design. Pit design considered conventional drill and blast over 10 m benches mined with 22 m3 excavators and hauled via 135-147 t trucks. Average production from the pit (ore and waste) is approximately 30 Mtpa during the first three years while pre-stripping and mining of the existing dump material occurs. As the mine deepens and interacts with the historical workings, shovel productivity is reduced, with pit production (ore and waste) reduced to 10-18 Mtpa.

The pit completes in 2034 with the processing facility continuing to treat stockpiles until 2038.

Mineral Processing

The processing plant currently processes ore from underground mining only and at a rate significantly below its throughput capacity of approximately 3.65 Mtpa.

The plant is well maintained and incorporates modern automation. This, as well as the two identical, parallel grinding lines, allow it to be operated relatively easily at half or less than half of its design throughput while helping to reduce operating costs. Gold recovery has historically showed little variability and typically ranges between 93% and 95%.

Hemlo uses gold recovery relationships that have been developed from a combination of test work and historical operating performance to predict process plant performance. There are separate recovery relationships for underground and open pit ore. In SLR's opinion, the recovery relationships are adequate for predicting recovery, although the open pit recovery relationships appear to be slightly conservative compared to available test work results on samples representing open pit reserves. An assessment of this conservatism would benefit from additional variability test work conducted on samples that are more spatially representative of open pit ore reserves.

The reduced throughput since the cessation of the open pit operation in 2020 means that the leach retention time was more than doubled, which may have contributed (together with higher grades) to a slight increase in recovery from 2020 onwards, ranging from 94% to 95%. Preliminary tailings flotation concentrate characterization has indicated that much of the gold in the current plant tailings (i.e., from underground ore only) reports to the concentrate and that the concentrate may typically contain 3 g/t to 6 g/t Au. This represents an opportunity to improve overall gold recovery.

Gold tellurides were identified in mineralogical analysis of 2023 open pit composites representing open pit ore reserves, however, their presence does not appear to have negatively affected recovery in bottle roll and diagnostic leach tests. SLR is not aware of other deleterious elements that would negatively affect plant recovery. The current LOM plan foresees plant throughput of 1.33 Mtpa to 1.44 Mtpa from 2025 to 2027 and there is consequently additional processing capacity available.

Project Infrastructure

The Hemlo Mine operations have been active since the start of production of the Williams Mine in 1985 and have infrastructure in place for the operations. The David Bell and Golden Giant mines have been closed and the surface operations are currently in progressive reclamation.

Underground workings for these two mines remain accessible through the Williams Mine and are currently used for ventilation for the Williams Mine.

The Williams mine site consists of the following major infrastructure:

- Wash bay accommodating 150-tonne class haul trucks
- 3-bay garage accommodating 90-tonne class haul trucks
- Fuel bays with storage capacities > 100,000 litres
- Primary gyratory crusher and overland conveyors
- 10,000 tpd CIP gold mill with electrowinning and refining capacity
- Processing plant including a cyanide destruction and sulphide float circuit to produce cyanide free NAG tails
- 431 ha TMF with plans to change the deposition method so it has capacity to operate for the LOM
- Surface water management infrastructure for the management and potential discharge of surface water runoff from the Williams site
- Effluent treatment plant for the treatment and discharge of excess water from the TMF
- Hoistroom and headframe (63.4 m high) with a 1,300 m deep shaft
- 4.6 m diameter production hoist with 22 t capacity skips with capacity up to 2.6 million tonnes per annum ("**Mtpa**")
- 3.7 m service hoist with cage and counterweight
- 100 m^3/hr paste backfill plant
- Service building housing the maintenance facilities, offices, and mine dry

- Support infrastructure including water treatment, sewage treatment, emergency response, storage areas, buildings, and roadways to support the site

- 4 x 5 m declines and a series of ramp connected levels connecting to the base of the mine.

- 115 kV power line from the Ontario power grid feeding two 33 MVA main transformers.

To restart the open pit, certain infrastructure has to be rebuilt including the washbay, workshop, and material handling system. These were assessed at a high level for the suitability of the proposed mine plan.

In summary:

- The workshop will have to be expanded to accommodate the larger trucks.

- The washbay is suitably sized.

- The crusher building will have to be increased to accommodate the larger trucks and the dust collection system needs to be replaced.

- The #10 conveyor will need to be repaired.

- The #19 conveyor will need to be replaced.

- A new engineering and administration building will need to be constructed.

- The fuel station and ready line will be relocated.

The TMF will have to be expanded to accommodate the additional ore from the open pit. The proposed centreline raise is described in 2025 studies by WSP to store thickened and NAG tailings within the existing TMF.

Environmental, Permitting and Social Considerations

The Hemlo Mine lies in the Bombay Township, outside the closest municipality of Marathon, Ontario and is therefore not subject to municipal zoning or bylaw requirements. The Hemlo Mine lies within Crown Lands managed by the Ontario Ministry of Natural Resources and Forestry.

The project has been operating since 1985, and in that time several environmental studies have been conducted for permitting purposes and monitoring requirements. Water management and water issues are the most relevant environmental aspect in the site. Surface water is managed in a professional manner and according to the requirements of the environmental permits received. The Hemlo Mine conducts all the required water quality monitoring and there are no issues with compliance or water quality of the surrounding water bodies.

Hemlo follows all provincial and federal laws and holds the necessary permits, including those for occupational health and safety, environmental monitoring, and reporting. Over the course of the mine life, Hemlo has submitted a number of applications to modify the development consent in line with various pit expansions, operating adjustments and mine life extensions. All permits are in good standing, and the Hemlo Mine is in compliance with those permits.

Environmental approvals for the proposed Open Pit Expansion Project have not yet been granted. However, environmental baseline studies and other related assessments are currently in progress. The project anticipates provincial permits updates will be required, including Environmental Compliance Approval amendment and an update to the closure plan.

Depending on the footprint of the project, federal permits may be required. At the time of writing of the Hemlo Mine Technical Report, the Hemlo Mine is awaiting confirmation from the Department of Fisheries and Oceans.

In 2023, Hemlo, through Barrick, was a signatory of the Towards Sustainable Mining initiative, and the latest audit was finalized in August 2023. The Hemlo Mine's performance on Indigenous and Community Relationships was rated A to AA in the different categories, indicating that community engagement is managed well.

The Hemlo Mine has two First Nations within its area of influence. A socio-economic benefit agreement with the Netmizaaggamig Nishnaabeg First Nation has been extended until June 30, 2026. An impact benefit agreement with the Biigtigong Nishnaabeg First Nation expired in June 2025 and, at their request, the parties are working collaboratively on a new agreement. The Corporation believes that the risk of not coming to an agreement is low.

Environmental rehabilitation plans are in place, and the cost of the mine closure rehabilitation work is accounted for in the Bonded Financial Assurance for the Williams Mine and a Letter of Credit for the David Bell Mine. The latest "Williams Mine Closure Plan Amendment" was submitted to the Ontario Ministry of Northern Development and Mines in July 2018 and updated in January 2019. Under the applicable closure plans, the Provision for Environmental Rehabilitation ("**PER**") estimate for the Williams Mine is C$87.7 million and the PER estimate for the David Bell Mine is C$4.6 million.

Capital and Operating Cost Estimates

Capital and operating costs for the Hemlo Mine are based on cost estimates prepared from first principles by Hemlo and third party consultants supported by studies and associated cost estimates prepared within an accuracy range of +/25%, which is the typical level of a PFS.

The costs are supported by engineering quantities estimates from detailed design drawings and equipment lists, with some smaller items factored from other comparable projects. Prices were determined by secured contracts, and vendor quotes with smaller items sourced from in-house databases.

Capital and operating costs reflect current price trends and exchange rates as of the effective date of the Hemlo Mine Technical Report.

All costs presented are in real U.S. dollars (US$) as of Q1 2025, without allowance for further inflation.

Capital Costs

Costs have been presented in three capital allocations:

- Expansion Capital: Capital costs required for the expansion project above the current production rate.
- Sustaining Capital: Capital cost required to sustain the production rate throughout the LOM.
- Closure Cost: Capital cost required to close and decommission the mine site and the end of the LOM.

The total capital cost is presented in Table 5 below.

Table 5: Capital Cost Estimate

Description	Expansion Capital (US$M)	Sustaining Capital (US$M)	Total Capital (US$M)
Mining – Open Pit	335.0	0.0	335
Mining – Underground	0.0	227.6	227.6
Material Handling, Crushing & Conveying	10.8	0.0	10.8
Processing Plant	32.3	8.1	40.5

Description	Expansion Capital (US$M)	Sustaining Capital (US$M)	Total Capital (US$M)
Tailings & Water Management	6.2	91.4	97.6
Infrastructure	3.0	0.0	3.0
Drilling	0.0	31.5	31.5
Indirect Costs	30.3	0.0	30.3
Contingency & Escalation	40.3	0.0	40.3
Total Project Capital	457.9	358.6	816.5

Operating Costs

The operating costs for the LOM (in Table 6 below) were developed considering the planned mine physicals, equipment hours, labour projections, consumables forecasts, and other expected incurred costs.

Table 6: Operating Costs

Area	LOM Total (US$M)	LOM Unit Cost (US$/t Ore)
Mining – Underground	1,211	29.35
Mining – Open Pit	393	9.52
Processing	558	13.53
General and Administration	249	6.04
Total	2,411	58.44

Economic Analysis

The basis for the mine plan model is the production and mine plan as presented in Section 16 of the Hemlo Mine Technical Report which includes mined tonnes (ore and waste), processed ore tonnes, grade, and recoveries and the Mineral Resource and Mineral Reserve estimates presented in the Hemlo Mine Technical Report. No Inferred Mineral Resources are included in the mine plan and are considered waste and a mine life of 14 years was used in the Hemlo Technical Report (with an effective date of December 31, 2024)

Revenue has been estimated based on the following: mill recovery by zone, as indicated by test work, averaging 92.8%; gold at refinery 99.965% payable; exchange rate US$1.00 = C$1.35; average life of mine metal price of US$2,780 per ounce gold; net smelter return includes doré refining, transport, and insurance costs; and revenue is recognized at the time of production.

Costs have been estimated based on the following: all costs are presented as of January 1, 2025 (i.e., no escalation or inflation is applied) in U.S. dollars (US$) unless otherwise noted; capital and operating costs have been applied as summarized above; mine life capital totals US$811.6 million; average operating cost over the mine life is US$58.44 per tonne milled.

Considering the project on a stand-alone basis, the undiscounted pre-tax cash flow totals US$2,202 million over the mine life. The World Gold Council Adjusted Operating Cost is US$1,343 per ounce of gold. The mine life capital cost, including both pre-production and sustaining unit cost, is US$155 per ounce. Average annual gold production during operation is 154,000 ounces per year. The after-tax NPV at a 5% discount rate is US$1,094 million.

Exploration, Development and Production

Between 2019 and 2021, surface exploration programs west of the Williams Mine included trenching, channel sampling, soil geochemistry, geological mapping, drone magnetic surveys, and limited drilling. These programs led to the identification of near-surface mineralization in the Blackfly and Red Star areas, located up to approximately 1,700 m west of the western limits of the Williams open pit (C-Zone mineralization). Mineralization is primarily associated with iron- and biotite-rich units and quartz-carbonate-pyrite veining within strongly deformed volcanic and sedimentary rocks. Follow-up trenching and drilling confirmed the presence of anomalous gold; however, results were considered uneconomic at the time and no further exploration work was undertaken in these areas. No additional surface exploration (other than drilling) has been completed since 2021.

In 2026, the Corporation intends to resume greenfield surface exploration in the vicinity of the operation and across the broader property. A district-wide recompilation of historical geological and exploration data has been initiated, and additional work is planned to improve the understanding of regional stratigraphy and major structural control through transect mapping, soil geochemical sampling, and potential geophysical surveys. The objective of this Phase I surface exploration program is to define new drill targets for testing in 2027 or 2028. In 2026, the Corporation initiated a 130,000-metre exploration drilling program at the Hemlo Mine aimed at expanding mineral resources, supporting future mineral reserve growth, and improving the understanding of the broader Hemlo mineral system. The program focuses on near-mine resource expansion along the B, C and E Zones, as well as selected surface targets west of the Williams Mine. It includes approximately 70,000 metres of resource conversion drilling to upgrade Inferred Mineral Resources to the Indicated category, 30,000 metres of high-definition drilling to improve geological confidence in near-term mining areas, and 30,000 metres of growth drilling targeting mineralization outside the current resource footprint. The program is progressing according to plan, with five drill rigs currently operating underground and up to ten rigs expected to operate from both underground and surface platforms during the second half of 2026.

The Hemlo Mine has reported 2025 gold production of 143,458 payable ounces, including 20,192 ounces produced in December 2025, representing the strongest annual production from the Hemlo camp in the past four years. Hemlo is transitioning toward an owner-operator mining model, aimed at improving operational flexibility, cost control, and long-term productivity, while leveraging the mine's existing underground and processing infrastructure.

DIVIDENDS AND DISTRIBUTIONS

Hemlo has not paid any dividends on the Hemlo Shares since its incorporation. The Corporation's current dividend or distribution policy is to retain any earnings and other cash resources for the operation and development of the Corporation's business. Any decision to pay dividends on Hemlo Shares in the future will be made by the Board on the basis of the earnings, financial requirements and other conditions existing at such time. There are no restrictions in the Corporation's articles of amalgamation or by-laws or pursuant to any agreement or understanding (other than pursuant to the Credit Facilities), of which the Corporation is aware, which could prevent the Corporation from paying dividends on the Hemlo Shares or the Preferred Shares (as defined herein).

DESCRIPTION OF CAPITAL STRUCTURE

General Description of Capital Structure

The Corporation's authorized share capital consists of an unlimited number of Hemlo Shares and an unlimited number of preferred shares, issuable in series (the "**Preferred Shares**").

Common Shares

Hemlo is authorized to issue an unlimited number of Hemlo Shares, of which (as of the date of this AIF) the number of issued and outstanding Hemlo Shares and the number of Hemlo Shares reserved for issuance on the exercise of equity awards are set forth in the table below:

Hemlo Shares (issued and outstanding):	296,329,968
RSUs	3,561,731
Options	8,632,749
PSUs	358,051
Fully Diluted	**308,882,499**

Holders of Hemlo Shares are entitled to receive, as and when declared by the Board, non-cumulative dividends at such rate as may be determined from time to time by the Board; to receive notice of shareholder meetings and to cast one vote per Hemlo Share at all meetings of Shareholders, except meetings at which only holders of a specified class of shares are entitled to vote. Upon liquidation, dissolution or winding up of Hemlo, Shareholders are entitled to share rateably in such assets of Hemlo as are distributable to the holders of Hemlo Shares. The Hemlo Shares do not carry any pre-emptive, subscription, redemption or conversion rights, nor do they contain any sinking or purchase fund provisions.

Preferred Shares

Hemlo is authorized to issue an unlimited number of Preferred Shares, of which (as of the date of this AIF) nil Preferred Shares are issued and outstanding. The Preferred Shares are issuable in series with special rights and restrictions applicable to the class which permit the Board to create series and to attach special rights and restrictions to the preferred shares of each series if, as and when created. Except as otherwise provided with respect to any particular series of Preferred Shares, holders of Preferred Shares are entitled to receive, as and when declared by the Board, dividends in preference and priority to any payment of dividends to holders of Hemlo Shares. Additionally, except as otherwise provided with respect to any particular series of Preferred Shares, the holders of Preferred Shares shall not have any voting rights and shall not be entitled to receive notice of shareholder meetings, except meetings at which only the holders of the Preferred Shares are entitled to vote. Upon liquidation, dissolution or winding up of Hemlo, holders of Preferred Shares are entitled to receive the amount paid up thereon together with all declared but unpaid dividends, if any.

Equity Incentive Plans

The Corporation's share compensation plan (the "**Omnibus Plan**") was approved by the Board on September 30, 2025 and by the Shareholders on October 30, 2025 at the Corporation's annual general and special meeting held on October 30, 2025. The Omnibus Plan governs the Corporation's granting of stock options ("**Options**"), restricted share units ("**RSUs**"), deferred share units ("**DSUs**") and performance share units ("**PSUs**") to directors, officers, employees and consultants.

The Omnibus Plan is a 10% "rolling" plan which, subject to the adjustment provisions provided for therein (including a subdivision or consolidation of Hemlo Shares), provides that the aggregate maximum number of Hemlo Shares that may be issued upon the exercise or settlement of equity awards (together with awards under other security-based compensation arrangements) shall not exceed 10% of the issued and outstanding Hemlo Shares.

MARKET FOR SECURITIES

Trading Price and Volume

The Hemlo Shares are listed and traded in Canada on the TSXV. The Hemlo Shares trade in C$ on the TSXV. The Hemlo Shares were previously listed on the NEX under the trading symbol "CART.H". On October 6, 2025, Hemlo completed a Reactivation (as such term is defined in TSXV Policy 2.6) from the NEX to the main board of the TSXV and its trading symbol was changed to "CART" (the "**Reactivation**"). On December 2, 2025, the Corporation began trading on the TSXV under its new trading symbol "HMMC".

The following tables set forth the price ranges and average daily trading volume of the Hemlo Shares, on a monthly basis, on the TSXV and on the NEX during the Corporation's most recently completed financial year.

Period	High (C$)	Low (C$)	Avg. Daily Volume
January 2025	$0.41	$0.20	146
February 2025	$0.33	$0.20	7,559
March 2025	$0.26	$0.24	54
April 2025	$0.26	$0.23	193
May 2025	$0.38	$0.28	4,597
June 2025	$0.59	$0.32	1,030
July 2025	$0.60	$0.50	416
August 2025	$1.04	$0.50	2,231
September 2025(2)	$1.23	$1.01	812
October 2025(3)	$1.23	$1.23	0
November 2025(4)	$1.23	$1.23	0
December 2025(5)	$5.49	$1.23	499,218

Notes:

(1) Source: Bloomberg

(2) On September 11, 2025, trading of the common shares of the Corporation (then known as Carcetti Capital Corp.) was halted pending the review of the Hemlo Transaction by the TSXV.

(3) On October 6, 2025, Hemlo completed the Reactivation from the NEX to the main board of the TSXV and its trading symbol was changed from "CART.H" to "CART".

(4) On November 26, 2025, the Corporation completed the Hemlo Transaction, followed by a 3:2 share consolidation on November 27, 2025.

(5) On December 2, 2025, the Corporation began trading on the TSXV under its new trading symbol, "HMMC".

Prior Sales

The following table summarizes the securities of the Corporation that are outstanding as at the date of this AIF, but not listed or quoted on a marketplace, that were issued by the Corporation during the financial year ended December 31, 2025:

Date of Issuance	Cumulative Number of Securities	Issue or Exercise Price or Fair Market Value per Common Share (C$)	Expiry Date
August 8, 2025	1,629,995 Options(2)	$3.00(1)	August 8, 2030
November 26, 2025	3,066,612 Restricted Share Units	$3.00	December 31, 2028
November 26, 2025	6,538,726 Options	$3.00	November 26, 2030

Notes:

(1) These options were originally issued with an exercise price of C$0.35 (on a pre-consolidation basis), but were repriced to C$3.00 (on a post-Consolidation basis), pursuant to the requirements of the TSXV in connection with its approval of the Hemlo Transaction. These options remain subject to disinterested shareholder approval, pursuant to the requirements of the TSXV. For more information, see "*General Development of the Business– Three Year History and Significant Acquisitions– Year Ended December 31, 2025*".

(2) Stated on a post-Consolidation basis.

(3) The principal amount of each Convertible Debenture was convertible into Hemlo Shares at a price of C$3.00 per Hemlo Share (on a post-Consolidation basis). Each Convertible Debenture was converted into Hemlo Shares by the holders thereof on December 10, 2025.

DIRECTORS AND OFFICERS

Name, Occupation and Security Holding

The name, province or state, country of residence, position or office held with the Corporation, principal occupation during the past five years of, and Hemlo Shares held by, each of the Directors and executive officers of the Corporation (as of the date of this AIF) are described below. The term of office of each Director will expire at the next annual general meeting of Shareholders, scheduled for June 12, 2026.

Name and Jurisdiction of Residence[1]	Current position(s) with the Corporation	Principal occupation or employment during the past 5 years[1]	Director or Officer Since	Number of Common Shares beneficially owned, controlled or directed, directly or indirectly[1]
Jonathan Awde *British Columbia, Canada*	Executive Chairman, Director	2022 – 2024: President and CEO, Dakota Gold Corp. 2021 – 2022: President and CEO, Dakota Territory Resource Corp. 2010 – 2020: President and CEO, Gold Standard Ventures Corp.	June 10, 2025	8,603,932
Jason Kosec[2] *Nassau, Bahamas*	President, CEO, Director	2025 – Present: Chair, Minera Alamos Inc. 2024 – Present: Director, GreenLight Metals Inc. 2023 – 2025: President and CEO, Integra Resources Corp. 2020 – 2025: Director, President and CEO, Millennial Precious Metals Corp. 2020 – 2023: Vice President of Strategic Development, Sable Resources Ltd.	October 30, 2025	1,929,166[8]
Audra Walsh[4][5][7][10] *Florida, United States*	Director	2026 – Present: VP, South America Business Unit, Hudbay Minerals Inc. 2023 – Present: Director, IAMGOLD Corporation 2022 – Present: Director, Faraday Copper Corp. 2019 – 2025: Director, Calibre Mining Corp. 2016 – 2024: Director, Argonaut Gold Inc. 2016 – 2022: CEO, Minas de Aguas Teñidas S.A.U	October 30, 2025	223,931
Robert Quartermain[2][4][6]	Lead Director	2024 – Present: Co-Chair, Director, President & CEO, Dakota Gold Corp.	October 30, 2025	2,601,000

Name and Jurisdiction of Residence[1]	Current position(s) with the Corporation	Principal occupation or employment during the past 5 years[1]	Director or Officer Since	Number of Common Shares beneficially owned, controlled or directed, directly or indirectly[1]
British Columbia, Canada		2022 – Present: Co-Chair & Director, Dakota Gold Corp. 2021 – 2026: Director, Fountainhall Capital Corp.		
Glenn Kumoi[5][10] *British Columbia, Canada*	Director	2023 – Present: Director and interim Corporate Secretary, Carcetti Capital Corp. 2023 – 2025: President and CEO, Carcetti Capital Corp. 2022 – 2024: President and CEO, JM Resources Corp. 2017 – 2021: Vice President, General Counsel and Corporate Secretary, Gold Standard Ventures Corp.	May 30, 2023	150,000
Tom Yip[3] *Colorado, United States*	Director	2021 – Present: Director, P2 Gold Inc. 2020 – Present: Director, Austin Gold Corp. 2024 – 2025: Director, CopperEx Resources Corporation 2021 – 2025: Director, Maritime Resources Corp. 2020 – 2021: CFO, P2 Gold Inc.	November 26, 2025	Nil
Jon Case *Ontario, Canada*	Chief Financial Officer	2022 – 2025: Vice-President, Portfolio Manager & Research Lead - Equities, CI Global Asset Management 2018 – 2022: Portfolio Manager, CI Global Asset Management	October 30, 2025	693,333[9]
Eric Tremblay *Quebec, Canada*	Chief Operating Officer	2015 – Present: Chief Operating Officer, Dalradian Resources Inc. 2020 – Present: Director, Talisker Resources 2023 – 2025: Director, Integra Resources Corp. 2020 – 2025: Director and Interim COO, Osisko Development Corp. 2020 – 2024: Director, Nighthawk Gold Corp.	October 30, 2025	250,000

Name and Jurisdiction of Residence[1]	Current position(s) with the Corporation	Principal occupation or employment during the past 5 years[1]	Director or Officer Since	Number of Common Shares beneficially owned, controlled or directed, directly or indirectly[1]
Carl DeLuca *Ontario, Canada*	General Counsel, Corporate Secretary	2021 – Present: Director, Magna Mining Inc. 2021 – 2025: General Counsel and Corporate Secretary, Li-Cycle Holdings Corp. 2019 – 2020: General Counsel and Corporate Secretary, Detour Gold Corporation.	November 26, 2025	Nil
Raphael Dutaut *Quebec, Canada*	Vice President, Exploration	2023 – 2025: Vice President, Geology & Mining of Integra Resources Corp. 2022 – 2024: Vice President, Exploration of Millennial Precious Metals Corp. 2021 – 2021: Manager North America, Geovariance Inc.	December 15, 2025	256,666
Lindsay Newton *Ontario, Canada*	Vice President, Finance	2024 – 2025: VP, Finance, Li-Cycle Holdings Corp. 2023 – 2024: VP, Finance, Sherritt International 2022 – 2024: Harte Gold Corp. 2021 – 2022: Controller, Detour Gold Corporation	December 15, 2025	Nil
Mike Tsafaras *Ontario, Canada*	Vice President, Engineering and Projects	2023 – 2025: Director, Mine Planning, Eldorado Gold Corporation 2019 – 2023: Manager, Underground Mine Planning, Hudbay Minerals Inc.	December 15, 2025	Nil
Garett Macdonald *Ontario, Canada*	Vice President, Operations	2015 – 2026: Director, Gungir Resources Inc. 2019 – 2025: Director, President & CEO, Maritime Resources Corp.	January 1, 2026	324,005
Perry Blanchard *Ontario, Canada*	Vice President, Sustainability	2020 – 2025: VP, Environment & Sustainability, Maritime Resources Corp.	January 1, 2026	Nil
Jason Banducci *Ontario, Canada*	Vice President, Corporate Development &	2023 – 2026: VP, Corporate Development & Investor Relations, Integra Resources Corp.	March 1, 2026	Nil

Name and Jurisdiction of Residence[(1)]	Current position(s) with the Corporation	Principal occupation or employment during the past 5 years[(1)]	Director or Officer Since	Number of Common Shares beneficially owned, controlled or directed, directly or indirectly[(1)]
	Investor Relations	2021 – 2023: VP, Corporate Development & Investor Relations, Millennial Precious Metals Corp.		

Notes:
(1) The information as to the jurisdiction of residence and principal occupation, and common share holdings, not being within the knowledge of the Corporation, has been furnished by each of the respective individuals.
(2) Member of the Environment, Health, Safety and Technical Committee.
(3) Chair of the Audit Committee.
(4) Member of the Audit Committee.
(5) Member of the Compensation Committee.
(6) Chair of the Compensation Committee and the Nominating and Governance Committee.
(7) Chair of the Environment, Health, Safety and Technical Committee.
(8) Mr. Kosec holds 12,500 of his Hemlo Shares through Revy Ltd.
(9) Mr. Case holds 683,333 of his Hemlo Shares through Trux Capital Ltd. and 10,000 Hemlo Shares personally.
(10) Member of the Nominating and Governance Committee.

Each of the Directors will serve until the next annual general meeting of Shareholders or until a successor is elected or appointed. The Board appoints the Corporation's executive officers annually after each annual general meeting, to serve at the discretion of the Board.

Based on information provided by such persons, as at the date of this AIF, the Directors and executive officers of the Corporation listed in the table above, as a group beneficially own, or control or direct, directly or indirectly, an aggregate of 15,032,033 Hemlo Shares, representing approximately 5.07% of the issued and outstanding common shares of the Corporation.

Cease Trade Orders, Bankruptcies, Penalties or Sanctions

Except as set forth below, no individual set forth in the above table 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 company (including the Corporation) that:

(a) was subject to 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 and that was issued while such individual was acting in the capacity as director, chief executive officer or chief financial officer; or

(b) was subject to 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, that was issued after such individual ceased to be a director, chief executive officer or chief financial officer, and which resulted from an event that occurred while such individual was acting in the capacity as director, chief executive officer or chief financial officer.

Except as set forth below, no individual set forth in the above table or shareholder holding a sufficient number of securities of the Corporation to affect materially the control of the Corporation, nor any personal holding company of any such individual:

(a) is, as of the date hereof, or has been within 10 years before the date hereof, a director or executive officer of any company (including the Corporation) that, while such individual was acting in that capacity, or within a year of such individual ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, 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, 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 such individual; or

(c) has been subject to (i) 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 (ii) 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.

Glenn Kumoi was Vice President, General Counsel and Corporate Secretary of Rubicon Minerals Corporation ("**Rubicon**") when a restructuring transaction was commenced under the *Companies' Creditors Arrangement Act* (the "**CCAA**") on October 20, 2016, and when Rubicon emerged from the CCAA proceedings on December 20, 2016 after a successful implementation of the restructuring transaction.

Carl DeLuca was General Counsel and Corporate Secretary of Li-Cycle Holdings Corp. ("**Li-Cycle**") from March 1, 2021 to October 31, 2025. On May 14, 2025, Li-Cycle and its subsidiaries in North America commenced proceedings (the "**CCAA Proceedings**") pursuant to the CCAA and obtained an order from the Ontario Superior Court of Justice (Commercial List) (the "**CCAA Court**") providing them with creditor protection. On August 1, 2025, in the context of a court-supervised sale and investment solicitation process, the CCAA Court issued an approval and vesting order approving, among things, the sale by Li-Cycle and its subsidiaries of various assets and subsidiaries to a third party purchaser, which order was subsequently recognized by the United States Bankruptcy Court for the Southern District of New York (the "**U.S. Court**"), which had also recognized the CCAA Proceedings as "foreign main proceedings". On January 30, 2026, the monitor made assignments into bankruptcy under the *Bankruptcy and Insolvency Act* (Canada) in respect of the remaining Li-Cycle entities, including Li-Cycle Holdings Corp. (the "**Canadian Bankruptcy Proceedings**"), and the U.S. Court issued an order on February 25, 2026, among other things recognizing the Canadian Bankruptcy Proceedings under Chapter 15 of the U.S. Bankruptcy Code.

Conflicts of Interest

Certain of the directors and officers of the Corporation are directors and officers of other companies, some of which are in the same business as the Corporation. Certain of the officers and directors of the Corporation also serve as directors and/or officers of other companies involved in the mineral exploration and development business, and consequently there exists the possibility for such officers or directors to be in a position of conflict. Any decision made by any such officers or directors involving the Corporation will be made in accordance with their duties and obligations under the laws of the Province of Ontario and Canada.

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

Legal Proceedings

As of the date of this AIF, there are no disclosable legal proceedings to which the Corporation is a party or, to the best of the Corporation's knowledge, to which any of the Corporation's property is or was a party during the last financial year, and there are no such proceedings known by the Corporation to be contemplated.

Regulatory Actions

There are no: (a) penalties or sanctions imposed against the Corporation by a court relating to securities legislation or by a securities regulatory authority during the Corporation's most recently completed financial year and up to the date of this AIF; (b) other penalties or sanctions imposed by a court or regulatory body against the Corporation that would likely be considered important to a reasonable investor in making an investment decision; or (c) settlement agreements the Corporation entered into with a court relating to securities legislation or with a securities regulatory authority during the Corporation's most recently completed financial year and up to the date of this AIF.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

No Director, executive officer, person or company that owns 10% or greater of the Corporation's issued and outstanding shares, or any associate or affiliate of the foregoing persons or companies, has or 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 that has materially affected or is reasonably expected to materially affect the Corporation.

TRANSFER AGENTS AND REGISTRARS

The registrar and transfer agent for the Hemlo Shares of the Corporation is Odyssey Trust Corporation at its office in Toronto, Ontario.

MATERIAL CONTRACTS

The only material contracts that the Corporation has entered into (i) since the beginning of its most recently completed financial year or (ii) before the beginning of its most recently completed financial year and that is still in effect, other than contracts entered into in the ordinary course of business, are the following:

1. the Hemlo SPA;
2. the PMPA;
3. the Credit Agreement; and
4. the underwriting agreement (the "**Underwriting Agreement**") dated October 7, 2025 among the Corporation, BMO Nesbitt Burns Inc., Canaccord Genuity Corp., CIBC World Markets Inc., National Bank Financial Inc., Stifel Nicolaus Canada Inc., and Agentis Capital Markets (First Nations Financial Markets Limited Partnership).

Hemlo Share Purchase Agreement

Under the Hemlo SPA dated September 10, 2025, Pioneer Metals ULC and Barrick Gold Inc. agreed to sell, and Hemlo and HMOC agreed to acquire, 100% of the issued and outstanding shares of 1539041 B.C. Unlimited Liability Company, an unlimited liability company existing under the laws of the Province of British Columbia, which formerly held the Hemlo Mine, and all of the shares of Williams Operating Corporation and DB Operating Corporation.

The purchase price consisted of: the Cash Consideration of US$875,000,000; the issuance of 23,055,000 Hemlo Shares (being 34,582,500 Hemlo Shares on a pre-Consolidation basis); and up to US$165,000,000 of additional gold price linked contingent cash payments during a five-year term commencing January 1, 2027 and ending December 31, 2031.

Precious Metals Purchase Agreement

Pursuant to the PMPA dated November 24, 2025 entered into by and between Wheaton, HMOC and the Corporation, Wheaton agreed to provide upfront financing to a wholly owned subsidiary of the Corporation, HMOC, in exchange for the right to purchase a portion of the gold produced from the Hemlo Mine over a long-term period. The agreement was entered into in connection with the acquisition of the Hemlo Mine and related corporate amalgamations, and Hemlo fully guaranteed the HMOC's obligations under the agreement.

From and after the effective date of October 31, 2025, HMOC is required to sell to Wheaton an amount of refined gold equal to a defined percentage of the mine's payable gold production. Payable gold is calculated by applying the applicable stream percentage to gold produced from the mining properties, subject to a 99.95% payability factor, with additional reductions applying to production from certain specified properties. Wheaton is not responsible for any refining, treatment, transportation, or offtaker charges, all of which remain for the account of HMOC.

Pursuant to the PMPA, Wheaton paid a cash deposit of US$300 million to HMOC at the closing of the Hemlo Transaction. The PMPA will initially represent 10.125% of the payable gold produced from the Hemlo Mine until the First Dropdown Threshold (135,750 ounces of gold), at which point Wheaton will purchase 6.75% of the payable gold until the Second Dropdown Threshold (117,009 ounces of gold), at which point Wheaton will purchase 4.5% of the payable gold for the life of the mine. Each of the First Dropdown Threshold and the Second Dropdown Threshold will be subject to adjustment if there are delays in deliveries relative to an agreed schedule, and commencing in 2033, if deliveries fall behind the agreed schedule by 10,000 ounces or more, the stream percentage will be increased by 5% until deliveries catch up with the agreed schedule. The payable gold will be reduced by half with respect to gold production from certain claims comprising the Interlake deposit. Payable gold is calculated using a fixed payable factor of 99.95%.

Gold deliveries are made on a monthly basis following HMOC's receipt of payments from its offtakers. Delivery is effected by crediting refined gold to Wheaton's unallocated metal account, typically in London, with title and risk of loss passing to Wheaton at the time of credit. The PMPA includes detailed mechanics for provisional and final settlements, reconciliation of production adjustments, and setoff rights in the event of over or under deliveries.

The PMPA has an initial term of twenty years from the effective date. At the end of the initial term, Wheaton has the unilateral right to terminate the agreement or allow it to continue automatically for successive ten-year renewal periods. If Wheaton elects not to terminate, the agreement continues on the same terms, subject to the reduced stream percentages that apply after the delivery thresholds have been reached.

To secure HMOC's obligations, the PMPA provides Wheaton with a comprehensive package of guarantees and security. Hemlo guaranteed all obligations of HMOC, and additional guarantees are provided by relevant holding companies and project-owning entities. Wheaton is granted first-ranking security interests, subject only to limited permitted encumbrances, over substantially all present and after-acquired assets of HMOC, Hemlo, and the project entities, including the mining properties, project assets, equity interests, produced gold, and related proceeds. Detailed post-closing requirements apply to ensure that all security interests are properly created and perfected, and intercreditor arrangements are contemplated where senior acquisition financing exists.

Credit Agreement

On November 26, 2025, the Corporation entered into the Credit Agreement led by the Bank of Nova Scotia. The Credit Agreement provides for a US$250 million senior-secured credit facility, consisting of a US$100 million senior-secured revolving credit facility and a US$150 million senior-secured non-revolving term loan facility), each maturing on November 28, 2028. Principal amounts drawn under the term facility are to be repaid in nine consecutive quarterly installments of US$7.5 million, each commencing August 26, 2026, with the remaining balance payable on November 27, 2028. The Corporation may make early repayments of all or a portion of the term facility at any time without penalty. Early repayments of the term facility may not be re-drawn and will be applied in inverse order of maturity. Principal amounts under the revolving credit facility are payable at maturity.

The Credit Facilities bear interest at either the Term Secured Overnight Financing Rate plus 0.10% to 0.25% (depending on the tenor) plus an applicable margin between 2.75% to 3.75% (except for a minimum margin of 3.25% for the first two quarters) payable no less than every three months, or the base rate, as defined in the Credit Agreement, plus an applicable margin ranging from 1.75% to 2.75% (except for a minimum margin of 2.25% for the first two quarters) payable monthly. The applicable margin is based on the Corporation's leverage ratio at the end of each fiscal quarter, except for a minimum margin of 3.25% for the first two quarters. For the year ended December 31, 2025, the interest rate on the Credit Facilities was 7.3%.

Underwriting Agreement

In connection with the SR Private Placement, the Corporation entered into the Underwriting Agreement dated October 7, 2025 with a syndicate of underwriters led by Scotia Capital Inc. and including BMO Nesbitt Burns Inc., Canaccord

Genuity Corp., CIBC World Markets Inc., National Bank Financial Inc., Stifel Nicolaus Canada Inc., and Agentis Capital Markets (First Nations Financial Markets Limited Partnership), setting out the terms of the SR Private Placement. In consideration for the services rendered by the underwriters, the Corporation paid the underwriters a cash fee equal to 5.0% of the gross proceeds from the sale of the Subscription Receipts (1.0% of the gross proceeds from the sale of Subscription Receipts to Wheaton, Orion Resource Partners, Eric Sprott, the Hunt family, or any of their respective affiliates). A copy of the Underwriting Agreement is available on the Corporation's SEDAR+ profile at www.sedarplus.ca.

INTERESTS OF EXPERTS

Names of Experts

The following persons or companies whose profession or business gives authority to a statement, report, valuation, statement or opinion made by the person or company are named in the AIF as having prepared or certified a part of that document or a report of valuation described in the AIF:

1. The Hemlo Mine Technical Report was authored by the following QPs: Brian Hartman, P. Geo., Lance Engelbrecht, P. Eng., Marc Rougier, P. Eng., James Smith, P. Eng., Jason Allen, P. Eng., Jason J. Cox, P. Eng., Siavash Farhangi, P. Eng., and Gonzalo Rios, FAusIMM (the "**Report Authors**").

2. Scientific and technical information contained in this AIF was reviewed and approved in accordance with NI 43-101 by Raphael Dutaut, Ph.D. (P.Geo.), the Corporation's Vice President, Exploration and by Mike Tsafaras (P.Eng.) the Corporation's Vice President, Engineering and Projects.

Interests of Experts

Based on information provided by the Report Authors and to the knowledge of the Corporation, each of the Report Authors holds less than 1% of the outstanding securities of the Corporation or of any associate or affiliate thereof as of the date hereof. None of the aforementioned firms or persons received, or will receive, any direct or indirect interest in any securities of the Corporation or of any associate or affiliate thereof in connection with the preparation of the report prepared by such person. None of the aforementioned firms or persons, nor any directors, officers or employees of such firms, are currently, or are expected to be elected, appointed or employed as, a director, officer or employee of the Corporation, or of any associate or affiliate of the Corporation.

Auditors

The Corporation's auditors are PricewaterhouseCoopers LLP, Chartered Professional Accountants, who have prepared an independent auditor's report dated April 15, 2026 in respect of the Corporation's consolidated financial statements as at December 31, 2025 and for the year then ended

PricewaterhouseCoopers LLP has advised that they are independent with respect to the Corporation within the meaning of the relevant rules and related interpretations prescribed by the relevant professional bodies in Canada, including the Chartered Professional Accountants of Ontario Code of Professional Conduct.

ADDITIONAL INFORMATION

Additional information, including directors' and officers' remuneration and indebtedness, principal holders of Hemlo's securities, and securities authorized for issuance under equity compensation plans, is contained in our management information circular for the most recent annual meeting of Shareholders. Additional financial information is also provided in our audited consolidated financial statements and management discussion and analysis for the years ended December 31, 2025 and 2024. The foregoing disclosure documents, along with additional information relating to Hemlo, may be found on SEDAR+ at www.sedarplus.ca or on our corporate website at www.hemlomining.com.

AUDIT COMMITTEE INFORMATION

The Corporation has adopted a Charter of the Audit Committee, a copy of which is attached hereto as Schedule "A".

Audit Committee Function

Composition of the Audit Committee

The Audit Committee is comprised of the following members: Tom Yip (Chair), Audra Walsh and Robert Quartermain. Based on information provided by such directors, the Board has determined that all members of the Audit Committee meet the independence requirements set out in NI 52-110. To be considered independent, a member of the Audit Committee must not have any direct or indirect "material relationship" with the Corporation. A "material relationship" is a relationship which could, in the view of the Board, be reasonably expected to interfere with the exercise of a member's independent judgment.

All members of the Audit Committee are also financially literate, as defined by NI 52-110, in that he or she has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can presumably be expected to be raised by the Corporation's financial statements.

Relevant Education and Experience

The relevant education and experience of each member of the Audit Committee that is relevant to the performance of the Audit Committee responsibilities are as follows:

Tom Yip – Tom Yip brings over 35 years of financial management experience in the mining industry and extensive public company board experience in exploration and production companies. He currently serves as a Director at Austin Gold Corp. (serving as its Audit Committee Chair) and P2 Gold Inc. (serving as its Compensation Committee Chair). Mr. Yip also served on the board of CopperEx Resources Corporation (serving as its Audit Committee Chair) until December 2025, and Maritime Resources Corp. (serving as its Audit Committee Chair) until its sale in November 2025. Mr. Yip was the CFO for Pretium Resources Inc (2015-2020), after serving as a member of its Board of Directors (2011-2015). Prior to that, he was CFO for International Tower Hill Mines Ltd. and Silver Standard Resources Inc. (now SSR Mining Inc.). Mr. Yip began his mining career at Echo Bay Mines Ltd. and served as its CFO before the company merged with Kinross Gold Corporation in 2003. He is a Chartered Professional Accountant (CPA, CA), and is a member of the Institute of Corporate Directors (ICD.D).

Audra Walsh – Audra Walsh brings over 30 years of international mining experience across both precious and base metals. She currently serves as a Director at IAMGOLD Corporation and Faraday Copper Corp. Previously, she was Chief Executive Officer of Minas de Aguas Teñidas S.A.U., a joint venture between Mubadala and Trafigura, until its sale in 2022. She has extensive public mining company board experience, serving on boards since 2012. Ms. Walsh has held various CEO roles with private and public companies, as well as senior management and technical roles at Barrick and Newmont.

Robert Quartermain – Robert Quartermain brings over 40 years of mining experience and currently serves as Co-Chair, Director, and Chief Executive Officer of Dakota Gold Corp. He played a pivotal role in the discovery and delineation of the Hemlo Mine gold mine while at Teck. As Chief Executive Officer of SSR Mining Inc. for 25 years, he transformed the company into a leading silver producer. Mr. Quartermain also founded Pretium Resources, which developed the Brucejack Mine in British Columbia and was later sold to Newcrest Mining for C$2.8 billion.

Audit Committee Oversight

Since the commencement of the Corporation's most recently completed financial year, the Board has not failed to adopt a recommendation of the Audit Committee to nominate or compensate an external auditor.

Reliance on Certain Exemptions

Since the commencement of the Corporation's most recently completed financial year, the Corporation has not relied on the exemptions contained in Section 2.4 (De Minimis Non Audit Services) or an exemption from NI 52110, in whole or in part, granted under Part 8 (Exemption) of NI 52110.

Pre-Approval Policies and Procedures

The Audit Committee's Charter requires Audit Committee preapproval of all non audit mandates for services the external auditors undertake for the Corporation or its subsidiaries.

External Auditor Service Fees (By Category)

The following table sets forth the aggregate fees billed to or accrued by the Corporation in the years ended December 31, 2025 and December 31, 2024 for services rendered by Davidson & Company LLP, the former auditor for the Corporation, and, PricewaterhouseCoopers LLP, the current auditor for the Corporation appointed on January 6, 2026, by category:

Financial Year Ended	**Audit Fees(1) (C$)**	**Audit--Related Fees(2) (C$)**	**Tax Fees(3) (C$)**	**All Other Fees(4) (C$)**
December 31, 2025	$319,291	--	--	--
December 31, 2024	$29,101	--	--	--

Notes:

(1) "Audit Fees" are the aggregate audit fees billed.

(2) "Audit Related Fees" are fees billed for assurance and related services that are reasonably related to the performance of the audit or review of the Corporation's financial statements and not reported under "Audit Fees."

(3) "Tax Fees" are fees billed for professional services rendered for tax compliance, tax advice and tax planning.

(4) "All Other Fees" are fees billed for products and services not included in the foregoing categories.

Exemption

The Corporation is a "venture issuer" under NI 52-110 and is relying on the exemption in section 6.1 of NI 52-110.

SCHEDULE "A"
CHARTER OF THE AUDIT COMMITTEE

Audit Committee Charter

The following is the text of the Audit Committee's Charter:

FUNCTION AND PURPOSE

The Audit Committee (the "**Committee**") will assist the Board of Directors (the "**Board**") of Hemlo Mining Corp. (the "**Company**") in fulfilling its oversight responsibilities by:

a) monitoring the integrity of the Company's financial statements, financial reporting process and systems of internal controls and procedures;

b) ensuring compliance by the Company with applicable legal and regulatory requirements;

c) reviewing areas of potential significant financial risk to the Company;

d) evaluating the external auditor's independence and qualifications; and

e) monitoring the performance of the independent auditor, as well as any other public accounting firm engaged to perform other audit, review, or attestation services.

While the Committee has the duties and responsibilities set forth in this Charter, the role of the Committee is that of oversight. The Committee is not responsible for planning or conducting the audit or determining whether the financial statements of the Company are complete and accurate and in accordance with applicable accounting rules. Such activities are the responsibility of management and the independent auditor. The Committee and its members are not preparers, auditors, or certifiers of the financial statements or guarantors of the independent auditor's reports. It is not the duty or responsibility of the Committee to ensure that the Company complies with all laws and regulations. The Committee and each of its members will be entitled to rely on:

a) the integrity of those persons and organizations within and outside of the Company from which it receives information;

b) the accuracy of the financial and other information provided to the Committee by such persons or organizations absent actual knowledge to the contrary (which will be promptly reported to the Board); and

c) representations made by management as to any audit and non-audit services provided by the independent auditor.

COMPOSITION AND ORGANIZATION

Membership and Qualifications

Composition: The Committee will be composed of at least three (3) directors, including a chair of the Committee (the "**Chair**"), all appointed by the Board after considering any recommendation of the H&S, ESG & Technical Committee. Each member of the Committee will serve until his or her successor is duly appointed, or upon resignation or removal by the Board.

Independence: Each member of the Committee must qualify as "independent" and meet the experience and expertise requirements of the applicable stock exchange and securities regulatory authorities.

Financial Literacy: All members of the Committee must be financially literate, as defined by the applicable securities regulatory authorities and stock exchanges on which the Company's securities are listed.

Service on Other Boards. No member of the Committee may serve simultaneously on the audit committee of more than two other public companies without a determination by the Board that such service would not impair the member's ability to serve on the Committee.

Meetings

Frequency: The Committee will meet at least four (4) times a year at such times and locations (if any) as the Chair deems necessary to fulfill the Committee's responsibilities. The Committee may meet with the independent auditor, head of internal audit function, and management, jointly or separately, to the extent the Committee deems necessary and appropriate.

Agendas and Notice: In consultation with the Corporate Secretary and the Chief Financial Officer, the Chair will establish the meeting dates and the meeting agenda. The Corporate Secretary will send notice of each Committee meeting and information concerning the business to be conducted at such meeting, to each member of the Committee not less than 48 hours prior to each meeting, provided that notice need not be sent for any regularly scheduled meeting. The Chair, or a majority of the members of the Committee, may call a special meeting of the Committee at any time. Attendance at a meeting shall constitute a waiver of notice of such meeting, except attendance for the express purpose of objecting to the notice. While the Committee is expected to communicate regularly with management of the Company, the Committee will exercise a high degree of independence in establishing its meeting agenda and in carrying out its responsibilities.

Holding and Recording Meetings: Committee meetings may be held in person, telephonically or by other electronic means, or action may be taken by written consent in accordance with the applicable corporate law. The Committee may act by a majority vote at a meeting of the Committee or by unanimous written resolution. The Committee will keep written minutes of its meetings, which minutes shall be made available to the Board. The Committee shall report regularly to the Board on its discussions and actions, including any significant issues or concerns that arise at its meetings, and shall make recommendations to the Board as appropriate.

Quorum: A majority of the members of the Committee, present in person or by telephone or other electronic means, will constitute a quorum for meetings of the Committee.

AUTHORITY AND RESPONSIBILITIES

Independent Auditor

Selection and Engagement of Independent Auditor: The Committee will have the sole authority and the direct responsibility for: (1) selecting the independent auditor for the Company and, (2) in accordance with applicable law, making recommendations to the Board with respect to the appointment, retention and termination of the independent auditor for the Company, and as to the compensation and oversight of the independent auditor for the Company (including the resolution of disagreements between management and the independent auditor regarding financial controls or financial reporting). The independent auditor will report directly to the Committee and is ultimately accountable to the Board.

Evaluation of Independence and Performance of Independent Auditor: The Committee will evaluate the qualifications and performance and confirm the independence of the independent auditor on an ongoing basis, but not less frequently than annually. The Committee will confirm receipt at least annually from the independent auditor of a formal written statement delineating all relationships between the Company and its subsidiaries and the independent auditor, consistent with applicable accounting rules and standards. The Committee will discuss with the auditor any disclosed relationships or services that may impact the objectivity and independence of the auditor and will take, or recommend that the Board take, appropriate action to oversee the independence of the auditor. The Committee shall review a written report at least annually from the independent auditor explaining the auditor's internal quality-control procedures and any issues raised by the most recent internal quality-control review (or any peer review or inquiry or investigation by governmental or professional authorities), within the preceding five years, and any steps to deal with any such issues.

Approval of Independent Auditor Services: The Committee will review and approve the independent auditor's annual engagement letter and all audit, audit-related, tax and other non-audit permissible services proposed to be provided by the independent auditor, and the fees for such services. The Committee is responsible for establishing policies and procedures for the Committee's pre-approval of permitted services by the independent auditor or other registered public accounting firm on an on-going basis. So long as any pre-approval of any transaction or service is presented to the full Committee at its next regularly scheduled meeting, the Committee can delegate to the Chair the authority to pre-approve audit and permissible non-audit services.

Oversight of Auditor; Audit Plan. The Committee will review and discuss with the independent auditor the overall scope and results of the annual audit and any other financial reviews, including the adequacy of staffing and rotation of audit partners as required by applicable law or regulatory authority.

Review of Independent Auditor Report: The Committee will review: (i) any reports required to be prepared by the independent auditor on all critical accounting policies and practices to be used; (ii) all alternative treatments within applicable accounting rules for policies and practices related to material items that have been discussed with management, including the ramifications of such alternative disclosures and treatments and the treatment preferred by the independent auditor; (iii) other significant reporting issues and judgments, significant regulatory, legal and accounting initiatives, rules and developments that may have a material impact on the Company's financial statements and their anticipated impact, compliance programs and policies; and (iv) any other material written communications between the independent auditor and management, such as any management letter or schedule of unadjusted differences. The Committee will also discuss with the independent auditor and then disclose those matters whose disclosure is required by applicable accounting or auditing standards.

Financial Reporting Process

Accounting Procedures: The Committee will assist the Board in discharging its responsibility in relation to the quality, acceptability, and integrity of the Company's accounting policies and principles, reporting practices and internal controls.

Open Communication: The Committee will provide and facilitate an open avenue of communication between the independent auditor, the Board, management and the finance department of the Company. The independent auditor shall have a direct line of communication to the Committee and may bypass management if deemed necessary. The independent auditor shall report to the Committee and is ultimately accountable to the Committee and the Board.

System of Financial Controls: The Committee will discuss with management, and provide oversight over, the design, implementation, adequacy and effectiveness of the Company's internal controls and disclosure controls and procedures, and material changes in such controls (including all internal and external people, resources, policies, processes and enforcement) aimed at ensuring the integrity and compliance of the books and records of the Company in accordance with International Financial Reporting Standards ("**IFRS**") and other applicable laws and regulations and sound business practices.

The Committee will review any material weaknesses, significant deficiencies or control deficiencies in the design or operation of internal control over financial reporting and any fraud involving management or other employees who have a significant role in the Company's internal control over financial reporting, and any required disclosures regarding the Company's internal controls. The Committee will also review with management and the independent auditor's processes to ensure (i) that the necessary books, records and accounts have sufficient detail to accurately and fairly reflect the Company's transactions; (ii) that adequate procedures are in place for the review of the Company's public disclosure of financial information extracted or derived from the Company's financial statements, and for the review of the Company's disclosure controls and procedures and to periodically assess the adequacy of those procedures and recommend any proposed changes to the Board for consideration; and (iii) that adequate processes are in place for assessing the risk of material misstatements in the financial statements and for detecting control weaknesses or fraud.

Annual Audit Review: The Committee will review with management and the independent auditor the results of the annual audit of the Company for each fiscal year together with the independent auditor's audit report thereon, including the Company's accounting principles and practices, significant judgments, estimates, known and likely misstatements identified during the audit (other than those the independent auditor believes to be insignificant). In performing such review, the Committee will review the scope of the audit, the audit procedures utilized, any difficulties or disputes encountered during the audit, any changes in accounting practices or principles, and any other matters related to the conduct of the audit brought to the Committee's attention by management or the independent auditor, or which are raised by members of the Committee. Such risks and exposures may include but are not limited to: (i) threatened and pending litigation; (ii) claims against the Company or any of its subsidiaries; (iii) tax matters, regulatory compliance and correspondence from regulatory authorities; and (iv) environmental exposure. Following its review, the Committee will report thereon to the Board and make a recommendation to the Board regarding the approval of the audited annual financial statements by the Board and their filing with applicable securities regulatory authorities.

Quarterly Reviews: The Committee will review with management and the independent auditor the financial statements of the Company each quarter and the related notes, including the quarterly financial statements, MD&A, financial reports, financial projections and other applicable financial disclosure, prior to the public disclosure of such information and together with the independent auditor's review thereof pursuant to professional standards and procedures for conducting such reviews, as established by generally accepted auditing standards. Following its review, the Committee will report thereon to the Board and make a recommendation to the Board regarding the approval of the quarterly annual financial statements by the Board and their filing with applicable securities regulatory authorities.

Financial Reporting Disclosure: The Committee will review with management and the independent auditor the annual audited and quarterly financial statements and related notes, including the auditor's report thereon, the specific disclosures made under MD&A, financial reports, financial projections and other applicable financial disclosure, prior to the public disclosure of such information, and the Committee will be responsible for making a recommendation to the Board as to whether the Company's financial statements be included in any report filed, as applicable, with any securities regulatory authority.

CEO and CFO Certifications. The Committee will review the development and implementation of the Chief Executive Officer's and Chief Financial Officer's annual certification plan, receive the CEO and CFO certifications of quarterly and annual filings made in accordance with applicable Canadian securities laws and review the interim and annual CEO and CFO certifications.

Earnings Announcements. The Committee will review and discuss with management and the independent auditor any earnings press releases, earnings guidance provided to analysts and rating agencies, and other public announcements regarding the Company's results of operations. Following its review, the Committee will make a recommendation to the Board regarding the approval and public filing of such earnings press releases, earnings guidance and other public announcements (except in the case of press releases and other public announcements in connection with the Company's quarterly financial statements, which may be approved by the Committee under authority expressly delegated by the Board to the Committee).

Sustainability Reporting. The Committee and the Company's H&S, ESG & Technical Committee shall review the Company's annual public disclosure in relation to sustainability matters, including the Company's ESG/Sustainability Report, and the Committee will make a recommendation to the Board regarding the approval and publication of the Company's ESG/Sustainability Report. The Committee will also review and discuss with management any financial metrics and disclosures contained in ESG-related public statements and disclosures before their publication.

General Finance Oversight

Financial Resources: As requested by the Board, the Committee will review and make recommendations to the Board with respect to the Company's financial resources, financing requirements, and any significant transactions outside the ordinary course of business of the Company.

Hedging & Treasury Management: The Committee will periodically review and receive reports from management with respect to the Company's hedging strategies and investment strategies (if any) and related matters.

IT & Cybersecurity: The Committee will periodically review and receive reports from management regarding risks and exposures related to information technology, cyber security, data protection and privacy.

Risk Management & Insurance: The Committee will quarterly review and receive reports from management, including the Company's internal audit function, regarding risk management and insurance programs and other necessary practices and procedures to monitor and control major business, operational and financial risks.

Crisis Management & Business Continuity: The Committee will annually review with management the Company's crisis management, business continuity, resiliency, and disaster preparedness planning.

Tax: The Committee will periodically review and receive reports from management regarding tax planning, audits and related risk.

<u>Related Party Transactions</u>

The Committee will review and approve or ratify, in accordance with the Company's policies as approved by the Committee, all related party transactions as defined by applicable rules and regulations.

<u>Review of Hiring of Individuals Employed by Independent Auditor of the Company</u>

The Committee will oversee the policies and procedures as required by applicable rules and regulations governing how the Company may employ or receive services from individuals who are or once were partners of or employed by the present or former independent auditor of the Company.

<u>Internal Audit Function</u>

The Committee will oversee, periodically review, and as appropriate, make recommendations to the Board concerning the design, scope, implementation, resources and performance of the Company's internal audit function (including internal or external personnel responsible for such function), and its mandate, audit plans, procedures and results. In coordination with the independent auditor, the Committee shall periodically discuss responsibilities, objectives, independences, budget and staffing of the internal audit function and continued overall effectiveness of the internal audit function. The Committee will regularly meet with the head of the internal audit function and review summaries of significant findings in the reports of the internal audit function as well as the resolution or remediation of such findings. At least annually, the Committee shall review the performance of the head of internal audit function and convey its findings to management.

<u>Legal Compliance; Investigations</u>

The Committee will be responsible for overseeing legal and regulatory matters that may have a material impact on financial statements and the Company's business. The Committee shall have access to and meet separately, periodically, with management, the General Counsel, and internal and independent auditor in connection with such review, and the General Counsel has express authority to communicate at any time with the Committee about compliance matters and investigations.

<u>Complaint Handling Process (i.e., "Whistleblower Reporting")</u>

The Committee will establish, maintain and oversee the procedures for: (i) the receipt, retention, and treatment of complaints regarding accounting, internal controls, or audit matters; and (ii) the confidential, anonymous submission by the Company's employees of concerns regarding questionable accounting, audit or internal control matters.

OTHER AUTHORITY AND RESPONSIBILITIES

Access to Records and Personnel: The Committee will have full access to any relevant records of the Company and its subsidiaries that it deems necessary to carry out its responsibilities. The Committee may request that any officer or other employee of the Company or any of its subsidiaries or any advisor to the Company meet with members of the Committee or its advisors, as it deems necessary to carry out its responsibilities.

Independent Advisors: The Committee will have the authority to engage, terminate and determine funding for such independent legal counsel, accounting advisors and other advisors (the "**Advisors**") as it deems necessary to carry out its responsibilities. Such Advisors may be the regular advisors to the Company. The Committee is empowered to cause the Company or any of its subsidiaries, as applicable, to pay the compensation of the Advisors as established by the Committee.

Funding: The Committee shall have the authority to determine and approve funding (which will be supplied by the Company) for: (i) payment of compensation to the independent external auditor or any other registered public accounting firm engaged for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Company; (ii) any other Advisors engaged by the Committee; and (iii) ordinary administrative expenses of the Committee or any other expenses that are necessary or appropriate in carrying out its duties.

Reports to Board of Directors: The Committee will report regularly to the Board regarding the meetings of the Committee with such recommendations to the Board as the Committee deems appropriate.

Review of this Charter: At least once a year, the Committee will review and reassess the adequacy of this Charter and recommend any proposed changes to the Board for consideration and approval.

Annual Committee Evaluation: The Committee will annually evaluate its performance and report to the Board on the results of the review, including any recommended changes contained therein for approval by the Board.

Delegation: The Committee may form and delegate authority to subcommittees and may delegate authority to the Chair or one or more designated members of the Committee, provided that any such delegation is permitted under applicable laws, rules and regulations. The Committee cannot delegate its responsibilities to non-committee members.

Other Responsibilities: The Committee will take such other action with respect to the matters set out herein as may be delegated from time to time by the Board and shall perform such other duties as may be required by applicable law or requested by the Board or deemed appropriate by the Committee. The Committee will discharge its responsibilities, and will assess the information provided to the Committee, in accordance with its business judgment. The Committee will have the authority to conduct or authorize investigations into any matters within the scope of its responsibilities as it deems appropriate.

Approved by the Board of Directors on January 26, 2026.