Hemlo

Interim Condensed Consolidated Financial Statements of

HEMLO MINING CORP.

For the three and six months ended June 30, 2026 and 2025

(Unaudited)

Hemlo Mining Corp.

Interim Condensed Consolidated Statements of Financial Position
Unaudited - Expressed in thousands of United States dollars, unless otherwise stated

	Note		As at June 30, 2026		As at December 31, 2025
Current assets					
Cash		$	130,152	$	131,956
Account receivables	4		15,569		9,113
Inventories	5		49,126		59,194
Current portion of derivative financial assets	6		2,359		—
Other current assets			10,358		8,307
Total current assets			**207,564**		**208,570**
Non-current assets					
Property, plant and equipment	7		1,516,817		1,523,130
Restricted cash			1,852		1,920
Derivative financial assets	6		6,514		—
Total assets		**$**	**1,732,747**	**$**	**1,733,620**
Current liabilities					
Accounts payable and accrued liabilities		$	47,594	$	50,206
Current portion of borrowings	8		29,450		14,695
Current portion of lease liabilities			2,254		2,252
Current portion of gold stream liability	9		30,503		29,057
Current income tax liabilities			46,468		1,611
Other current liabilities			220		61
Total current liabilities			**156,489**		**97,882**
Non-current liabilities					
Borrowings	8		117,799		205,710
Lease liabilities			5,466		6,858
Gold stream liability	9		265,920		273,748
Contingent consideration	10		99,220		111,470
Asset retirement obligation			43,150		43,902
Other non-current liabilities			174		180
Deferred income tax liabilities			436,709		447,432
Total liabilities		**$**	**1,124,927**	**$**	**1,187,182**
Shareholders' equity					
Share capital			614,361		614,341
Contributed surplus			16,148		7,914
Accumulated deficit			(22,689)		(75,817)
Total shareholders' equity		**$**	**607,820**	**$**	**546,438**
Total liabilities and shareholders' equity		**$**	**1,732,747**	**$**	**1,733,620**

Approved by the Board of Directors

/s/ Tom Yip
Tom Yip
Director

/s/ Jonathan Awde
Jonathan Awde
Director

The accompanying notes are an integral part of these interim condensed consolidated financial statements.

Hemlo Mining Corp.

Interim Condensed Consolidated Statements of Income (Loss) and Comprehensive Income (Loss)
Unaudited - Expressed in thousands of United States dollars except per share amounts, unless otherwise stated

	Note	Three months ended June 30, 2026	Three months ended June 30, 2025 (restated - Note 2c)	Six months ended June 30, 2026	Six months ended June 30, 2025 (restated - Note 2c)
Revenue	11	$ 142,499	$ —	$ 328,764	$ —
Cost of sales	12	96,842	—	209,971	—
General and administrative expenses	13	6,972	36	14,879	49
Exploration and evaluation expenditures		204	—	275	—
Foreign exchange losses (gains)		226	(1)	(551)	(1)
Other (income) expenses	14	(12,066)	32	(4,320)	32
Income (loss) from operations		**50,321**	**(67)**	**108,510**	**(80)**
Finance costs, net	15	7,207	—	19,637	—
Income (loss) before income taxes		**43,114**	**(67)**	**88,873**	**(80)**
Income tax expense	16	12,112	—	35,745	—
Net income (loss)		**$ 31,002**	**$ (67)**	**$ 53,128**	**$ (80)**
Earnings (loss) per share attributable to shareholders:					
Basic	17	**$ 0.10**	**$ (0.02)**	**$ 0.18**	**$ (0.02)**
Diluted	17	**$ 0.10**	**$ (0.02)**	**$ 0.18**	**$ (0.02)**

	Note	Three months ended June 30, 2026	Three months ended June 30, 2025 (restated - Note 2c)	Six months ended June 30, 2026	Six months ended June 30, 2025 (restated - Note 2c)
Net income (loss)		**$ 31,002**	**$ (67)**	**$ 53,128**	**$ (80)**
Other comprehensive income, net of taxes					
Items that may be reclassified subsequently to profit or loss:					
Currency translation adjustments		—	49	—	49
Total other comprehensive income		**—**	**49**	**—**	**49**
Total comprehensive income (loss)		**$ 31,002**	**$ (18)**	**$ 53,128**	**$ (31)**

The accompanying notes are an integral part of these interim condensed consolidated financial statements.

Hemlo Mining Corp.

Interim Condensed Consolidated Statements of Changes in Equity
Expressed in thousands of United States dollars except share amounts, unless otherwise stated

	Number of shares		Share capital		Contributed surplus		Accumulated deficit		Accumulated other comprehensive deficit		Total
At January 1, 2026	**296,329,968**	**$**	**614,341**	**$**	**7,914**	**$**	**(75,817)**	**$**	**—**	**$**	**546,438**
Stock-based compensation (Note 18)	—		—		8,242		—		—		**8,242**
Exercise of stock options (Note 18)	40,000		20		(8)		—		—		**12**
Net income and comprehensive income	—		—		—		53,128		—		**53,128**
At June 30, 2026	**296,369,968**	**$**	**614,361**	**$**	**16,148**	**$**	**(22,689)**	**$**	**—**	**$**	**607,820**

	Number of shares		Share capital		Contributed surplus		Accumulated deficit		Accumulated other comprehensive deficit		Total
At January 1, 2025	**3,779,367**	**$**	**55,585**	**$**	**5,467**	**$**	**(60,933)**	**$**	**97**	**$**	**216**
Share issued in private placements	9,333,333		1,242		—		—		—		**1,242**
Share issuance costs	—		(39)		—		—		—		**(39)**
Stock option cancellations	—				(5,454)		5,454				**—**
Net loss	—		—		—		(80)		—		**(80)**
Other comprehensive income	—		—		—		—		49		**49**
At June 30, 2025	**13,112,700**	**$**	**56,788**	**$**	**13**	**$**	**(55,559)**	**$**	**146**	**$**	**1,388**

The accompanying notes are an integral part of these interim condensed consolidated financial statements.

Hemlo Mining Corp.

Interim Condensed Consolidated Statements of Cash Flows
Unaudited - Expressed in thousands of United States dollars, unless otherwise stated

		Six months ended June 30,	
	Note	**2026**	**2025 (restated - Note 2c)**
Operating activities			
Net income (loss)		**$ 53,128**	**$ (80)**
Adjustments for:			
Change in fair value of Contingent Consideration	10,14	(12,250)	—
Interest and amortization of deferred financing costs borrowings	15	8,706	—
Accretion of gold stream liability	9	11,502	—
Non-cash revenue from gold stream arrangement	9	(17,884)	—
Accretion of asset retirement obligation		823	—
Stock-based compensation	18	8,242	—
Accretion of lease liability		276	—
Depreciation expense		55,279	—
Gain on foreign exchange		(332)	—
Deferred income tax recovery	16	(10,723)	—
Change in fair values of derivative financial instruments	6,14	(8,032)	—
Changes in working capital	19	34,812	(6)
Cash generated from (used in) operating activities		**$ 123,547**	**$ (86)**
Investing activities			
Payment of option premium	6	$ (841)	$ —
Cash recovered for Hemlo Acquisition	4	4,557	—
Purchase of property, plant and equipment		(44,482)	—
Cash used in investing activities		**$ (40,766)**	**$ —**
Financing activities			
Proceeds from private placement		$ —	$ 1,242
Interest paid on borrowings	15	(6,862)	—
Repayment of borrowings	8	(75,000)	—
Lease repayments		(1,371)	—
Cash (used in) generated from financing activities		**$ (83,233)**	**$ 1,242**
Net (decrease) increase in cash		(452)	1,156
Cash at beginning of period		131,956	216
Exchange (loss) gain on cash balance		(1,352)	49
Cash at the end of period		**$ 130,152**	**$ 1,421**

The accompanying notes are an integral part of these interim condensed consolidated financial statements.

1. Nature of operations

Hemlo Mining Corp. ("Hemlo" or the "Company") was formed by the amalgamation of Carcetti Capital Corp. and its wholly-owned subsidiary, 17276583 Canada Ltd., pursuant to Articles of Amalgamation filed under the *Canada Business Corporations Act* on November 27, 2025. The interim condensed consolidated financial statements include the results and financial position of Carcetti Capital Corp. up to November 27, 2025.

The Company is principally engaged in the production and sale of gold, as well as related activities such as mine development and exploration. The Company operates the Hemlo Gold Mine ("Hemlo Mine") located in Bomby Township, in northwestern Ontario, Canada. On November 26, 2025, the Company, through its wholly-owned subsidiary, 1554943 B.C. Ltd., completed the acquisition of all of the issued and outstanding common shares of 1539041 B.C. ULC (the "Hemlo Acquisition") from certain wholly-owned subsidiaries of Barrick Mining Corporation ("Barrick") - a business combination for which the purchase price allocation remains provisional. 1539041 B.C. ULC held all of the shares of DB Operating Corporation and Williams Operating Corporation ("WOC"), mining rights related to the Hemlo Mine, and contracts that related exclusively to Hemlo Mine operations. Upon the closing of the Hemlo Acquisition, 1554943 B.C. Ltd. amalgamated with 1539041 B.C. ULC. On April, 2, 2026, 1554943 B.C. Ltd. was continued as an Ontario corporation and changed its name to Hemlo Mining Operating Corp. ("HMOC"). The Company, through HMOC, wholly-owns the Hemlo Mine.

The Company's registered office and principal place of business is 390 Bay Street, Suite 1720, Toronto, Ontario, Canada, M5H 2Y2. The Company's common shares are listed on the Toronto Stock Exchange ("TSX") under the symbol "HMMC" and are traded on the OTCQX® Best Market under the symbol "HMMCF".

2. Basis of preparation

a. Statement of compliance

These interim condensed consolidated financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards") applicable to the preparation of interim financial statements under International Accounting Standards 34, *Interim Financial Reporting*. The interim condensed consolidated financial statements do not include all disclosures required by IFRS Accounting Standards for annual financial statements and should be read in conjunction with the Company's consolidated financial statements for the year ended December 31, 2025.

These interim condensed consolidated financial statements were approved by the Board of Directors of the Company on August 11, 2026.

b. Basis of presentation

All amounts included in these interim condensed consolidated financial statements have been presented in thousands of United States dollars ("USD" or "$") unless otherwise noted. References to "CAD" or "C$" refers to Canadian dollars.

On November 27, 2025, the Company completed a consolidation of its common shares on the basis of two new shares for every three pre-consolidation shares (3:2). The consolidation was approved by shareholders of the Company at a shareholders' meeting held on October 30, 2025. All references to number of shares and per share amounts are expressed as post-consolidation values.

c. Change in accounting policy and adoption of amended accounting standards

Presentation and functional currency

As at December 31, 2025, the Company changed its presentation currency from CAD to USD. The change in presentation currency enhances comparability of the Company's financial results against its peers. The change in presentation currency is an accounting policy change and has been applied retrospectively with comparative figures restated for all periods presented as if the policy had always been applied, in accordance with IAS 8, *Accounting Policies, Changes In Accounting Estimates And Errors*.

On November 26, 2025, the Company changed its functional currency from CAD to USD to reflect that USD has become the predominant currency in the Company, accounting for a significant part of the Company's cash flows, cash management and financing. The change in functional currency was applied prospectively from the date of change in accordance with IAS 21, *The Effects Of Changes In Foreign Exchange Rates*. The functional currency of each of the Company's subsidiaries is measured using the currency of the primary economic environment in which they operate. The functional currency of the Company's subsidiaries is USD.

Amendments to IFRS 9, *Financial Instruments* ("IFRS 9") and IFRS 7, *Financial Instruments: Disclosures ("IFRS 7")*

The Company adopted *Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7)* on January 1, 2026. The amendments clarify the timing of recognition and derecognition of financial assets and financial liabilities and introduce an exception permitting the derecognition of certain financial liabilities prior to the settlement date when cash settlement occurs through qualifying electronic payment systems. Under these amendments, an entity may elect to derecognize financial liabilities settled in cash through qualifying electronic payment systems when it no longer has the practical ability to withdraw, stop or cancel the payment instruction and the applicable eligibility criteria are met. The Company has elected to apply the exception on the adoption of these amendments. As a result, certain financial liabilities and the associated cash balances may be derecognized earlier than under the previous policy.

The adoption of the amendments did not have a material impact on the Company's interim condensed consolidated financial statements for the periods presented.

3. Material accounting policies, estimates and judgements

Except as disclosed above, the accounting policies, estimates and judgements applied in these interim condensed consolidated financial statements are consistent with those set out in Notes 3 and 4 of the Company's annual consolidated financial statements for the year ended December 31, 2025.

The standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Company's interim condensed consolidated financial statements that the Company reasonably expects will have an impact on its disclosures, financial position or performance when applied at a future date, are disclosed below. The Company intends to adopt the standard when it becomes effective. Other standards and interpretations that are issued, but not yet effective, which are not expected to impact the Company have not been listed.

Presentation and Disclosure in Financial Statements ("IFRS 18")

In April 2024, IFRS 18, *Presentation and Disclosure in Financial Statements* was issued to replace IAS 1, *Presentation of Financial Statement*. IFRS 18 aims to achieve comparability of the financial performance of similar entities and introduces the following key new requirements:

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- All income and expenses must be classified into five categories on the income statement: operating, investing, financing, discontinued operations, and income tax.
- A newly defined subtotal for operating profit is required, though net income will remain unchanged.
- Management-defined performance measures must be disclosed together in a single note to the financial statements.
- The standard provides enhanced guidance on how to aggregate and present information in the financial statements.
- Entities using the indirect method for the statement of cash flows must start with the new operating profit subtotal.

IFRS 18 is effective for annual reporting periods beginning on or after January 1, 2027, with early adoption permitted. The Company is currently assessing the impact of the new standard.

4. Account receivables

	As at June 30, 2026	As at December 31, 2025
Receivables related to the Hemlo Acquisition[1]	$ —	$ 8,479
Trade receivables	14,845	—
Others	724	634
Total account receivables	**$ 15,569**	**$ 9,113**

1. Pursuant to the terms of the Hemlo Acquisition, the Company was required to provide a statement setting forth the difference between the estimated cash consideration paid to Barrick at closing of the Hemlo Acquisition of $878.1 million and the cash consideration calculated using the actual closing working capital and debt at the closing date ("Working Capital Adjustment"), within 60 business days after the closing date. As at December 31, 2025, the Company recognized a receivable of $8.5 million from Barrick related to the Working Capital Adjustment, which included certain tax refunds received by Barrick subsequent to the closing of the Hemlo Acquisition. The receivables related to the Hemlo Acquisition were received in March 2026.

5. Inventories

	As at June 30, 2026	As at December 31, 2025
Work in process	$ 9,474	$ 10,198
Finished products	29,662	39,407
Supplies inventory	9,990	9,589
Total inventories	**$ 49,126**	**$ 59,194**

6. Gold derivative financial instruments

Gold derivative financial asset (liability)	As at June 30, 2026	As at December 31, 2025
Gold put options	$ 701	$ —
Gold zero-cost collars	8,172	—
Total gold derivative financial instruments	**$ 8,873**	**$ —**
Current portion of derivative financial assets	$ 2,359	$ —
Derivative financial assets - non-current	6,514	—
Total gold derivative financial instruments	**$ 8,873**	**$ —**

On November 26, 2025, the Company entered into a secured credit agreement ("Credit Agreement") led by a Canadian bank to fund a portion of the Hemlo Acquisition (Note 8). Pursuant to the Credit Agreement, the Company was required to hedge a portion of its 2026 to 2028 gold production.

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Gold put options

In February 2026, the Company purchased a series of put options for $0.8 million to sell up to 31,000 ounces of gold at $3,600 per ounce settling equally per month from February 2026 to December 2026.

During the three and six months ended June 30, 2026, the Company recognized unrealized losses of $0.2 million (2025: $nil) and $0.2 million (2025: $nil), respectively, on changes in fair value of gold put options and 8,454 ounces (2025 - nil ounces) and 14,088 ounces (2025 - nil ounces), respectively, of gold put options expired unexercised.

As at June 30, 2026, the Company had 16,912 ounces (2025: nil ounces) of outstanding gold put options settling equally per month from July 2026 to December 2026.

Gold zero-cost collars

In February 2026, the Company entered into a series of zero-cost collars for a total of 33,078 ounces of gold at a floor price of $4,000 per ounce and ceiling prices ranging from $6,610 per ounce to $7,290 per ounce settling monthly in 2027 and 2028.

During the three and six months ended June 30, 2026, the Company recognized unrealized gains of $7.6 million and $8.2 million, respectively, (2025: $nil and $nil, respectively) on changes in fair value of gold zero-cost collars.

As at June 30, 2026, the Company had 33,078 ounces (2025: nil ounces) of outstanding gold zero-cost collars as follows:

		As at June 30, 2026	
Volume (gold ounces)	**Floor price**	**Average ceiling price**	**Settlement period**
17,022	$4,000	$6,719	2027
16,056	$4,000	$6,846	2028
33,078			

7. Property, plant and equipment

	Buildings, plant and equipment	Mineral property costs subject to depreciation	Amounts not subject to depreciation	Total
Cost				
At January 1, 2026	**$ 458,410**	**$ 1,003,678**	**$ 76,026**	**$ 1,538,114**
Additions	8,170	18,339	17,405	43,914
At June 30, 2026	**$ 466,580**	**$ 1,022,017**	**$ 93,431**	**$ 1,582,028**
Accumulated depreciation				
At January 1, 2026	**$ (4,694)**	**$ (10,290)**	**$ —**	**$ (14,984)**
Depreciation	(19,736)	(30,491)	—	(50,227)
At June 30, 2026	**$ (24,430)**	**$ (40,781)**	**$ —**	**$ (65,211)**
Net book value				
At January 1, 2026	**$ 453,716**	**$ 993,388**	**$ 76,026**	**$ 1,523,130**
At June 30, 2026	**$ 442,150**	**$ 981,236**	**$ 93,431**	**$ 1,516,817**

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Amounts not subject to depreciation are comprised of the following:

		As at June 30, 2026		As at December 31, 2025
Construction in progress	$	40,431	$	23,026
Acquired mineral resources and exploration potential		53,000		53,000
Total amounts not subject to depreciation	**$**	**93,431**	**$**	**76,026**

Movement in right-of-use assets included in buildings, plant and equipment are as follows:

		Six months ended June 30, 2026		2025
Net book value at beginning of period	**$**	**8,830**	**$**	**—**
Depreciation		(1,227)		—
Net book value at end of period	**$**	**7,603**	**$**	**—**

All of the Company's property, plant and equipment is pledged as security for the Company's borrowings (Note 8) and its obligations under the gold stream arrangement (Note 9).

As at June 30, 2026, the Company had contractual commitments for capital expenditures of $38.2 million (2025 - $15.2 million).

8. Borrowings

		As at June 30, 2026		As at December 31, 2025
Term Facility	$	150,000	$	150,000
Revolving Credit Facility		—		75,000
Total principal outstanding		**150,000**		**225,000**
Less: Unamortized financing costs		(2,751)		(4,595)
Total borrowings	**$**	**147,249**	**$**	**220,405**
Current	$	29,450	$	14,695
Non-current		117,799		205,710
Total borrowings	**$**	**147,249**	**$**	**220,405**

The Credit Agreement provides for a $250.0 million senior-secured credit facility, consisting of a $100 million senior-secured revolving credit facility ("Revolving Credit Facility") and a $150 million senior-secured non-revolving term loan facility ("Term Facility", and together, the "Facilities"), each maturing on November 28, 2028.

Principal amounts drawn under the Term Facility are to be repaid in nine consecutive quarterly installments of $7.5 million each commencing August 26, 2026, with the remaining balance payable on November 27, 2028. The Company 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.

In March 2026, the Company repaid $75.0 million outstanding under its Revolving Credit Facility. The Revolving Credit Facility remains available to the Company for general corporate purposes and working capital needs. As at June 30, 2026, there were $8.5 million of outstanding letters of credit issued under the Revolving Credit Facility as financial support for environmental remediation and reclamation obligations and contractual commitments. As at June 30, 2026, $91.5 million was available under the Revolving Credit Facility.

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For the three and six months ended June 30, 2026, the interest rate on the Facilities was 7.1% (2025 - n/a).

The Facilities are subject to certain financial covenants measured at the end of each quarter. The Company was in compliance with all financial covenants as at June 30, 2026.

9. Gold stream liability

	Note		Amount
At January 1, 2026		**$**	**302,805**
Amortization of gold stream revenue	11		(17,884)
Accretion of gold stream liability	15		11,502
At June 30, 2026		**$**	**296,423**

		As at June 30, 2026		As at December 31, 2025
Current	$	30,503	$	29,057
Non-current		265,920		273,748
Total gold stream liability	**$**	**296,423**	**$**	**302,805**

On November 24, 2025, the Company entered into a Precious Metals Purchase Agreement ("Streaming Arrangement") with Wheaton Precious Metals Corp. ("Wheaton"), whereby the Company received an up-front payment of $300.0 million in exchange for delivery of a portion of future gold production ("Stream Percentage"), subject to certain deductions, as outlined below:

- 10.125% of payable gold until a total of 135,750 gold ounces have been delivered ("First Dropdown Threshold");
- 6.75% of payable gold until a further total of 117,998 gold ounces have been delivered ("Second Dropdown Threshold"); and
- 4.50% of payable gold thereafter.

The payable gold will be reduced by half with respect to gold production from certain claims comprising the Interlake deposit (which is subject to a 50% NPI). Payable gold is calculated using a fixed payable factor of 99.95%.

In addition to the up-front payment, Wheaton will pay the Company cash equal to 20% of the market price of gold for each gold delivery.

For the three months ended June 30, 2026, the Company delivered 2,283 ounces of gold to Wheaton (2025: nil ounces) and recorded revenue of $7.3 million (2025: $nil), consisting of $2.1 million (2025: $nil) received in cash proceeds and $5.2 million (2025: $nil) recorded as a reduction of gold stream liability.
For the six months ended June 30, 2026, the Company delivered 6,761 ounces of gold to Wheaton (2025: nil ounces) and recorded revenue of $24.4 million (2025: $nil), consisting of $6.5 million (2025: $nil) received in cash proceeds and $17.9 million (2025: $nil) recorded as a reduction of gold stream liability.

Unaudited - Expressed in thousands of United States dollars, unless otherwise stated

10. Contingent consideration

	Note		Amount
At January 1, 2026		**$**	**111,470**
Change in fair value	14		(12,250)
At June 30, 2026		**$**	**99,220**

The Contingent Consideration represents contingent cash payments over a five-year term from January 1, 2027 to December 31, 2031. The Company is required to make annual payments to Barrick based on three incremental pricing thresholds:

1. 20.0% of incremental revenue per ounce of payable gold production at or above $3,300/oz but less than $3,500/oz;
2. 22.5% of incremental revenue per ounce of payable gold production at or above $3,500/oz but less than $3,700/oz; and
3. 25.0% of incremental revenue per ounce of payable gold production at or above $3,700/oz.

The maximum cumulative amount payable under the Contingent Consideration is $165.0 million.

The Company estimated the fair value of the Contingent Consideration using a Monte-Carlo simulation model based on the gold forward curve, expected volatility of 24% (2025 - 20%), the Company's credit spread of 1% (2025 - 1%), risk-free rate of 4% (2025 - 3%) and the Company's planned production during the five-year period. The Monte-Carlo simulation projects potential gold price paths over the five-year term and applies the contractual incremental revenue percentages for each pricing threshold subject to the cumulative maximum of $165.0 million.

During the three and six months ended June 30, 2026, the Company recognized fair value gains on Contingent Consideration of $20.7 million and $12.3 million, respectively (2025 - $nil and $nil, respectively).

11. Revenue

		Three months ended June 30,		Six months ended June 30,	
	Note	**2026**	**2025**	**2026**	**2025**
Gold sales(1)		$ 136,807	$ —	$ 309,631	$ —
Silver sales		552	—	1,249	—
Non-cash revenue from gold stream arrangement	9	5,140	—	17,884	—
Total revenue		**$ 142,499**	**$ —**	**$ 328,764**	**$ —**

1. Includes cash proceeds from the sale of gold to Wheaton recorded at 20% of the spot gold price. Refer to Note 9 for details.

Unaudited - Expressed in thousands of United States dollars, unless otherwise stated

12. Cost of sales

	Three months ended June 30, 2026	Three months ended June 30, 2025	Six months ended June 30, 2026	Six months ended June 30, 2025
Mine operation expenses				
Production costs	$ 50,281	$ —	$ 104,131	$ —
Inventory movements - cash	5,295	—	5,408	—
Total mine operation expenses	**55,576**	**—**	**109,539**	**—**
Depreciation				
Depreciation and amortization - Property, plant and equipment	22,207	—	50,156	—
Inventory movements - non-cash	4,638	—	5,052	—
Total depreciation expense	**26,845**	**—**	**55,208**	**—**
Royalties expense	14,239	—	44,765	—
Community relations	182	—	459	—
Total cost of sales	**$ 96,842**	**$ —**	**$209,971**	**$ —**

13. General and administrative expenses

	Note	Three months ended June 30, 2026	Three months ended June 30, 2025	Six months ended June 30, 2026	Six months ended June 30, 2025
Salaries and benefits	23	1,187	2	2,427	4
Share-based compensation expense	18	3,401	—	7,770	—
Professional fees		1,476	27	3,113	35
Depreciation		38	—	71	—
Others		870	7	1,498	10
Total general and administrative expenses		**$ 6,972**	**$ 36**	**$ 14,879**	**$ 49**

14. Other (income) expenses

	Note	Three months ended June 30, 2026	Three months ended June 30, 2025	Six months ended June 30, 2026	Six months ended June 30, 2025
Change in fair value of Contingent Consideration	10	$ (20,670)	$ —	$ (12,250)	$ —
Change in fair value of gold derivative financial instruments	6	(7,388)	—	(8,032)	—
Others[1]		15,992	32	15,962	32
Total other (income) expenses		**$ (12,066)**	**$ 32**	**$ (4,320)**	**$ 32**

1. In June 2026, HMOC and WOC entered into an Impact Benefit Agreement with one of the First Nations in relation to the Hemlo Mine and paid $15.8 million within the terms of the agreement.

Unaudited - Expressed in thousands of United States dollars, unless otherwise stated

15. Finance costs, net

		Three months ended June 30,		Six months ended June 30,	
	Note	**2026**	**2025**	**2026**	**2025**
Finance income					
Interest income		$ 1,174	$ —	$ 2,644	$ —
Total finance income		**$ 1,174**	**$ —**	**$ 2,644**	**$ —**
Finance costs					
Interest and amortization of deferred financing costs	8	(3,053)	—	(8,706)	—
Accretion of asset retirement obligation		(412)	—	(823)	—
Accretion of lease liabilities		(134)	—	(276)	—
Accretion of gold stream liability	9	(4,275)	—	(11,502)	—
Others		(507)	—	(974)	—
Total finance costs		**$ (8,381)**	**$ —**	**$ (22,281)**	**$ —**
Total finance costs, net		**$ (7,207)**	**$ —**	**$ (19,637)**	**$ —**

16. Income tax

Income tax expense recognized in the interim condensed consolidated statements of income (loss) and comprehensive income (loss) comprise of the following:

	Three months ended June 30,		Six months ended June 30,	
	2026	**2025**	**2026**	**2025**
Current income tax expense	14,703	—	46,468	—
Deferred income tax recovery	(2,591)	—	(10,723)	—
Total income tax expense	**$ 12,112**	**$ —**	**$ 35,745**	**$ —**

17. Earnings (loss) per share

	Three months ended June 30,		Six months ended June 30,	
	2026	**2025**	**2026**	**2025**
Net income (loss)	**$ 31,002**	**$ (67)**	**$ 53,128**	**$ (80)**
Weighted average number of common shares for basic EPS	296,355,023	4,292,187	296,342,565	4,015,011
Weighted average number of common shares for diluted EPS	302,520,119	4,292,187	302,461,093	4,015,011
Basic earnings (loss) per share	**$ 0.10**	**$ (0.02)**	**$ 0.18**	**$ (0.02)**
Diluted earnings (loss) per share	**$ 0.10**	**$ (0.02)**	**$ 0.18**	**$ (0.02)**

The determination of weighted average number of common shares for the purpose of diluted EPS excludes 404,028 stock options, and 143,219 performance share units ("PSUs") that were anti-dilutive for the three and six months ended June 30, 2026 (2025 - 90,000 stock options).

Unaudited - Expressed in thousands of United States dollars, unless otherwise stated

18. Share-based compensation

Share-based compensation expense for the three and six months ended June 30, 2026 totalled $3.7 million and $8.3 million, respectively (2025: $nil and $nil, respectively).

a. Restricted Stock Units

The following table sets out the activity of outstanding RSUs during the period:

	Number of RSUs
Balance at January 1, 2026	**3,089,945**
Granted	687,781
Settled	(10,000)
Forfeited	(64,967)
Balance at June 30, 2026	**3,702,759**

During the three months ended June 30, 2026, 163,921 RSUs were granted at an average price of C$3.01 per unit vesting in thirds over three years from the date of grant. For the six months ended June 30, 2026, 687,781 RSUs were granted at an average price of C$6.76 per unit, of which 653,788 RSUs vest in thirds over three years from the date of grant and 33,993 vest one year from the date of grant.

For the three and six months ended June 30, 2026, share-based compensation expense related to RSUs totalled $1.8 million and $3.4 million, respectively (2025 - $nil and $nil, respectively).

b. Stock options

The following table sets out the activity of outstanding stock options during the period:

	Number of stock options	Weighted average exercise price per share
Balance at January 1, 2026	**8,282,590**	**C$2.98**
Granted	404,028	C$7.06
Exercised(1)	(40,000)	C$0.39
Forfeited	(53,869)	C$3.00
Balance at June 30, 2026	**8,592,749**	**C$3.18**

1. The weighted average share price at the time of option exercise was C$5.46.

The following table sets forth the outstanding stock options to purchase common shares of the Company as at June 30, 2026:

	Number of options			Remaining
Exercise price(1)	Outstanding	Exercisable	Expiry date	contractual life (years)(1)
C$0.39	20,000	20,000	November 8, 2028	2.4
C$3.00(2)	1,629,995(2)	814,996	August 8, 2030	4.1
C$3.00	6,538,726	—	November 26, 2030	4.4
C$7.06	404,028	—	March 5, 2031	4.7
C$3.18	**8,592,749**	**834,996**		**4.4**

Unaudited - Expressed in thousands of United States dollars, unless otherwise stated

1. Total represents weighted average.
2. On August 8, 2025, the Company granted 1,629,995 stock options ("August 2025 Options") to certain directors, officers and consultants of the Company, exercisable at a price of C$0.53 per share for a period of five years with 50% of the options vesting on the date of grant and 50% vesting one year from the date of grant. Pursuant to the requirements of the TSX Venture Exchange, on closing of the Hemlo Acquisition, the August 2025 Options had their exercise price increased from C$0.53 per share to C$3.00 per share and cannot vest until disinterested shareholder approval has been specifically obtained. Following disinterested shareholder approval on June 12, 2026, 50% of the modified August Options vested immediately with the remaining 50% vesting on August 8, 2026.

   As disinterested shareholder approval was required, the grant date, as defined under IFRS 2, *Share-based Payment* was determined to be June 12, 2026. The Company estimated the fair value of the August 2025 Options using the Black-Scholes option pricing model at June 12, 2026 and previously recognized expense for the August 2025 Options were revised to reflect the grant date fair value. This revision was considered a change in accounting estimate.

The grant date fair values of the August 2025 Options and the options granted during the six months ended June 30, 2026 were calculated using the Black-Scholes option pricing model with the following assumptions:

	August 2025 Options	Six months ended June 30, 2026
Grant date share price	C$6.12	C$7.06
Weighted average grant-date fair value	C$3.68	C$3.13
Exercise price	C$3.00	C$7.06
Expected life of stock options (in years)	2.1 - 2.2	3.0 - 4.0
Risk-free rate	2.8%	2.6% - 2.7%
Expected share price volatility(i)	62.0% - 62.3%	57.9% - 59.5%
Expected dividend yield	— %	— %

(i) The Company used the historical volatility of peer group companies to estimate the expected volatility of the Company's share price.

For the three and six months ended June 30, 2026, share-based compensation expense related to stock options totalled $2.9 million and $4.6 million, respectively (2025 - $nil and $nil, respectively).

c. Performance share units

The following table sets out the activity of outstanding PSUs during the period:

	Number of PSUs
Balance at January 1, 2026	**—**
Granted	358,051
Balance at June 30, 2026	**358,051**

For the six months ended June 30, 2026, 358,051 PSUs were granted at a weighted average price of C$8.51 per unit.

The PSUs are equity-settled and vest on the third anniversary of the date of grant subject to continued employment and achievement of performance conditions. The ultimate number of PSUs vesting can range from 0% to 200% of PSUs granted, with linear interpolation between performance levels, based on the following performance conditions:

- 60% of the PSUs vest based on the Company's total shareholder return ("TSR") relative to the TSR of the VanEck Vectors Junior Gold Miners ETF ("GDXJ") from January 1, 2026 to December 31, 2028. This condition is considered a market performance condition, and its effect is included in the grant-date fair value of the PSUs of C$9.48 estimated using a Monte-Carlo simulation model.

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- 40% of the PSUs vest based on the Company's three-year mineral reserves growth from January 1, 2026 to December 31, 2028. This condition is considered a non-market performance condition, and the number of PSUs expected to vest is reassessed at each reporting date.

For the three and six months ended June 30, 2026, share-based compensation expense related to PSUs totalled $0.1 million and $0.2 million, respectively (2025 - $nil and $nil, respectively).

d. Deferred share units ("DSUs")

The following table sets out the activity of outstanding DSUs during the period:

	Number of DSUs
Balance at January 1, 2026	**—**
Granted	38,728
Balance at June 30, 2026	**38,728**

For the three months ended June 30, 2026, 27,397 DSUs were granted at an average price of C$6.36 per unit. For the six months ended June 30, 2026, 38,728 DSUs were granted at an average price of C$6.56 per unit.

The DSUs are cash-settled and vest on the date on which the grantee ceases to be a director, officer employee or consultant of the Company.

For the three and six months ended June 30, 2026, share-based compensation expense related to DSUs totalled $0.1 million and $0.1 million, respectively (2025 - $nil and $nil, respectively).

19. Other cash flow items

	Six months ended June 30, 2026	Six months ended June 30, 2025
Changes in working capital:		
Account receivables	$ (11,041)	$ (5)
Other current assets	(2,694)	(6)
Inventories	5,016	—
Other liabilities	171	—
Current tax liability	44,857	—
Accounts payable and accrued liabilities	(1,497)	5
Total changes in working capital	**$ 34,812**	**$ (6)**

During the three and six months ended June 30, 2026, the Company received interest income of $1.2 million (2025 - $nil) and $2.6 million (2025 - $nil), respectively, and paid income taxes $1.6 million (2025 - $nil) and $1.6 million (2025 - $nil), respectively.

20. Contingent liabilities and commitments

Community development commitments

In the normal course of business, the Company enters into contracts that give rise to commitments for future minimum payments. In addition to its operational commitments, the Company has commitments related to community development programs of $11.1 million as at June 30, 2026.

Gold offtake agreement

The Company entered into a refined gold offtake agreement ("Offtake Agreement") to sell and deliver 50% of refined gold produced from minerals processed at the Hemlo Mine, subject to certain deductions. The agreement remains in effect until 3.2 million ounces of refined gold have been produced from the Hemlo Mine and the offtaker receives delivery of its portion of refined gold, unless terminated earlier pursuant to the Offtake Agreement which may result in a lump-sum payment to the offtaker.

21. Financial instruments and fair value measurement

The Company's cash, account receivables, restricted cash, accounts payable and accrued liabilities, lease liabilities and borrowings are carried at amortized cost. The carrying values of cash, account receivables, restricted cash, accounts payable and accrued liabilities approximate their fair values largely due to the short-term maturities of these instruments and their nature as non-interest bearing. The face value of the Company's borrowings approximates its fair value due to a floating interest rate that is linked to a market rate. The Contingent Consideration and gold derivative financial instruments are classified as measured at fair value through profit or loss. Potential transaction costs have not been considered in estimating fair value.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an ordinary transaction between market participants at the measurement date. The fair value hierarchy establishes three levels to classify the inputs to valuation techniques used to measure fair value. The three levels of fair value hierarchy, giving the highest priority to Level 1 inputs and the lowest priority to Level 3 inputs, are as follows:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices that are observable for assets and liabilities, either directly or indirectly; and
- Level 3 – Inputs for assets or liabilities that are not based on observable market data.

The Company's policy is to recognize transfers into and transfers out of fair value hierarchy levels at the end of the reporting period. There were no transfers between levels of the fair value hierarchy during the period.

As at June 30, 2026, gold zero-cost collars (Note 6) and gold put options (Note 6) were classified as Level 2 under the fair value hierarchy

As at June 30, 2026, the Contingent Consideration (Note 10) was classified as Level 3 under the fair value hierarchy as gold production forecast during the period from 2027 to 2031 is a significant unobservable input used in the fair value measurement. Forecast gold production is based on the Company's National Instrument 43-101, *Standards of Disclosure for Mineral Projects* Technical Report dated October 27, 2025 for the Hemlo Mine and excludes 50% of production from Interlake claims. Changes in forecasted production generally result in a proportional change to the fair value of the Contingent Consideration.

22. Segment information

a. Operating segments

The Company's Chief Operating Decision Maker, its Chief Executive Officer, reviews the operating results, assesses the performance and makes capital allocation decisions of the Company viewed as a single operating segment engaged in production and sale of gold from the Hemlo Mine located in Canada. All amounts disclosed in the interim condensed consolidated financial statements represent this single segment. The Company's corporate division is considered incidental to the activities of the

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Company and does not meet the definition of an operating segment as defined in IFRS 8, *Operating Segments*.

b. Geographic segments

The Company is in the business of production and sale of gold in Canada. All of the Company's non-current assets are located in Canada.

23. Related parties

Related parties include the key management personnel, their close family members, and entities controlled by these individuals. The Company's key management personnel consists of directors of the Company and officers who have authority and responsibility for strategic decision-making. Certain consultants who perform functions similar to key management personnel are also considered related parties.

Compensation of key management personnel

Remuneration of key management personnel was as follows:

	Three months ended June 30,		Six months ended June 30,	
	2026	**2025**	**2026**	**2025**
Salaries and fees	$ 432	$ 4	$ 863	$ 4
Benefits	21	—	48	—
Share-based compensation	3,538	—	6,057	—
Total key management personnel compensation	**$ 3,991**	**$ 4**	**$ 6,968**	**$ 4**

As at June 30, 2026, amounts owing to such related parties amounted to $0.1 million (2025 - $0.2 million).

Consulting services

For the three and six months ended June 30, 2026, included above were transactions totalling $1.3 million and $2.3 million, respectively (2025 - $nil and $nil, respectively) between the Company and entities controlled by the Company's key management personnel for consulting services.