CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
(unaudited)

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

Expressed in Canadian Dollars, unless otherwise noted

ARTEMIS
GOLD INC

ARTEMIS GOLD INC.

Condensed Consolidated Interim Statements of Financial Position

(Unaudited - Expressed in thousands of Canadian Dollars)

	Notes	As at June 30, 2026 $	As at December 31, 2025 $
Assets			
Current assets			
Cash and cash equivalents		178,941	168,104
Receivables and prepayments		18,290	13,308
Current portion of inventories	*4*	43,268	31,266
Derivative assets	*16*	28,953	-
Restricted cash		15,194	13,252
		284,646	**225,930**
Non-current assets			
Investment in associate		6,373	6,593
Inventories	*4*	289,127	157,567
Mineral property, plant and equipment	*5*	2,303,273	2,066,267
Marketable securities	*16*	17,807	-
Deferred income tax asset		12,350	11,535
Other assets		9,101	1,915
TOTAL ASSETS		**2,922,677**	**2,469,807**
Liabilities			
Current liabilities			
Accounts payable, accrued liabilities and provisions		155,689	164,629
Current portion of lease liabilities	*6*	29,992	26,537
Accrued interest payable	*7*	10,194	-
Current portion of deferred revenue	*9*	18,507	13,710
Derivative liabilities	*16*	16,641	54,895
Current income tax liability		4,503	9,008
Financing obligations		4,767	10,955
		240,293	**279,734**
Non-current liabilities			
Lease liabilities	*6*	113,582	116,635
Long-term debt	*7*	441,160	450,134
Asset retirement obligation	*8*	134,758	118,691
Deferred revenue	*9*	311,868	311,041
Deferred income tax liability		342,118	176,672
Financing obligations		3,230	4,899
TOTAL LIABILITIES		**1,587,009**	**1,457,806**
Shareholders' equity			
Share capital	*10*	695,006	684,217
Contributed surplus	*10*	52,858	50,885
Accumulated other comprehensive income		1,307	3,622
Retained earnings		586,497	273,277
Total Shareholders' equity		**1,335,668**	**1,012,001**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**2,922,677**	**2,469,807**

Contingencies (Note 18)
Subsequent event (Note 19)

Approved for Issuance by the Board of Directors:

"Elise Rees" Director

"Dale Andres" Director

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

ARTEMIS GOLD INC.

Condensed Consolidated Interim Statements of Income and Comprehensive Income

(Unaudited - Expressed in thousands of Canadian Dollars, except per share amounts and number of shares)

	Notes	For the three months ended June 30, 2026 $	For the three months ended June 30, 2025 $	For the six months ended June 30, 2026 $	For the six months ended June 30, 2025 $
Revenue	*11*	433,584	231,064	748,967	272,131
Cost of sales					
Production costs	*12*	(96,926)	(55,386)	(179,247)	(63,938)
Depreciation and depletion		(12,176)	(7,791)	(25,096)	(8,458)
Gross profit		**324,482**	**167,887**	**544,624**	**199,735**
General and administrative expense	*13*	(3,395)	(5,052)	(9,754)	(10,123)
Finance income	*14*	966	251	2,119	251
Finance expense	*14*	(15,413)	(14,598)	(31,698)	(14,746)
Equity loss from investment in associate		(61)	6	(220)	(109)
Change in fair value of derivatives	*16*	(570)	(1,731)	(15,943)	(22,637)
Income before income taxes		**306,009**	**146,763**	**489,128**	**152,371**
Current income tax expense		(6,101)	(3,066)	(11,277)	(3,066)
Deferred income tax expense		(100,888)	(43,511)	(164,631)	(44,476)
Net income		**199,020**	**100,186**	**313,220**	**104,829**
Other comprehensive loss					
Items that will not be reclassified to net income or loss:					
Change in fair value of marketable securities		(2,315)	-	(2,315)	-
Net income and other comprehensive income		**196,705**	**100,186**	**310,905**	**104,829**
Net income per common share					
Basic	*10*	0.85	0.44	1.34	0.46
Diluted	*10*	0.83	0.43	1.31	0.45
Weighted average number of common shares outstanding					
Basic	*10*	234,036,481	228,071,254	233,418,662	226,781,701
Diluted	*10*	240,257,855	235,268,210	239,750,776	233,457,530

ARTEMIS GOLD INC.

Condensed Consolidated Interim Statements of Changes in Equity

(Unaudited - Expressed in thousands of Canadian Dollars, except number of shares)

	Notes	Share capital Number of shares #	Share capital Amount $	Contributed surplus $	Accumulated other comprehensive income $	Retained earnings $	Total shareholders' equity $
Balance - January 1, 2026		231,493,605	684,217	50,885	3,622	273,277	1,012,001
Exercise of stock options	*10*	1,455,323	13,234	(4,362)	-	-	8,872
Settlement of restricted share units	*10*	171,517	(2,445)	(3,966)	-	-	(6,411)
Share-based payments	*10*	-	-	10,301	-	-	10,301
Net income		-	-	-	-	313,220	313,220
Other comprehensive loss		-	-	-	(2,315)	-	(2,315)
Balance – June 30, 2026		**233,120,445**	**695,006**	**52,858**	**1,307**	**586,497**	**1,335,668**

	Notes	Share capital Number of shares #	Share capital Amount $	Contributed surplus $	Accumulated other comprehensive income $	Retained earnings (deficit) $	Total shareholders' equity $
Balance - January 1, 2025		225,252,978	630,997	32,117	3,622	(75,884)	590,852
Exercise of stock options	*10*	4,981,588	39,220	(12,564)	-	-	26,656
Settlement of restricted share units	*10*	161,173	1,164	(1,164)	-	-	-
Share-based payments	*10*	-	-	6,581	-	-	6,581
Shares reserved		-	-	19,300	-	-	19,300
Net income		-	-	-	-	104,829	104,829
Balance – June 30, 2025		**230,395,739**	**671,381**	**44,270**	**3,622**	**28,945**	**748,218**

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

ARTEMIS GOLD INC.

Condensed Consolidated Interim Statements of Cash Flows

(Unaudited - Expressed in thousands of Canadian Dollars)

	Notes	For the three months ended June 30, 2026 $	For the three months ended June 30, 2025 $	For the six months ended June 30, 2026 $	For the six months ended June 30, 2025 $
Operating activities					
Net income		199,020	100,186	313,220	104,829
Items not involving cash:					
Depreciation and depletion	*5*	12,304	8,616	25,363	8,786
Share-based payments	*10, 12, 13, 15*	1,350	5,531	6,190	7,597
Finance expense, net	*14*	14,447	14,347	29,579	14,495
Non-cash component of revenue - Silver Stream	*9, 11*	(3,413)	(3,938)	(6,602)	(3,938)
Non-cash component of revenue - Gold Stream	*9, 11*	(24,228)	(10,084)	(45,728)	(10,084)
Non-cash component of revenue - settlement of derivatives	*11, 16*	(20,429)	(10,522)	(46,851)	(10,522)
Equity loss from investment in associate		61	(6)	220	109
Change in fair value of derivatives	*16*	570	1,731	15,943	22,637
Deferred income tax expense		100,888	43,511	164,631	44,476
Net changes in non-cash operating assets and liabilities:					
Accounts payable, accrued liabilities and provisions		(11,563)	62,246	(8,368)	63,802
Current income tax liability		6,101	3,066	11,277	3,066
Receivables and prepayments		(5,765)	(4,724)	(4,983)	(4,112)
Inventories	*4*	(52,417)	(24,822)	(102,763)	(42,000)
Income taxes paid		(9,455)	-	(15,782)	-
Net cash provided by operating activities		**207,471**	**185,138**	**335,346**	**199,141**
Investing activities					
Purchases of mineral property, plant and equipment		(137,027)	(146,469)	(232,793)	(236,591)
Investment in derivative assets		(36,298)	-	(36,298)	-
Investment in marketable securities		(20,122)	-	(20,122)	-
Restricted cash		(1,837)	(1,439)	(1,942)	3,950
Interest received		966	354	2,119	737
Net cash used in investing activities		**(194,318)**	**(147,554)**	**(289,036)**	**(231,904)**
Financing activities					
Proceeds from Senior Unsecured Notes	*7*	-	-	450,000	-
Principal payments on RCF	*7*	-	-	(458,000)	-
Interest payments on RCF	*7*	-	-	(2,532)	-
Financing costs on long-term debt	*7*	(134)	-	(9,427)	(425)
Lease payments	*6*	(8,691)	(4,150)	(15,790)	(7,322)
Exercise of stock options	*10*	2,122	24,247	8,872	26,656
Settlement of restricted share units		(19)	-	(6,411)	-
Proceeds from project loan facilities		-	-	-	40,000
Principal payments on project loan facilities		-	(26,719)	-	(26,719)
Interest payments on project loan facilities		-	(7,326)	-	(16,240)
Proceeds from streaming arrangements		-	-	-	43,395
Financing obligations		(1,218)	-	(1,218)	-
Other financing costs		(760)	-	(967)	-
Net cash (used in) provided by financing activities		**(8,700)**	**(13,948)**	**(35,473)**	**59,345**
Change in cash and cash equivalents		4,453	23,636	10,837	26,582
Cash and cash equivalents, beginning		174,488	31,225	168,104	28,279
Cash and cash equivalents, ending		**178,941**	**54,861**	**178,941**	**54,861**

Supplemental cash flow information (Note 17)

1. NATURE OF OPERATIONS

Artemis Gold Inc. ("**Artemis Gold**" or the "**Company**") was incorporated under the Business Corporations Act (British Columbia) on January 10, 2019. The Company is a gold and silver producer focused on the operation and further development of its flagship asset, the Blackwater Gold Mine ("**Blackwater**" or the "**Blackwater Mine**") in central British Columbia, Canada. The Company poured its first gold and silver from the Blackwater Mine on January 29, 2025 and achieved commercial production on May 1, 2025. The Company's common shares are traded on the TSX Venture Exchange ("**TSXV**") under the symbol "ARTG".

The Company operates a single reportable segment, being the operation and management of the Blackwater Mine. All of the Company's non-current assets are located in Canada.

The Company maintains its head office at 595 Burrard Street, Suite 3083, Vancouver, B.C., Canada. The Company's registered and records office is located at 1133 Melville Street, Suite 3500, Vancouver, B.C., Canada.

2. BASIS OF PREPARATION

Basis of preparation and measurement

These unaudited condensed consolidated interim financial statements ("**Interim Financial Statements**") have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board applicable to the preparation of interim financial statements, including International Accounting Standard 34, *Interim Financial Reporting* ("**IAS 34**"). They do not include all of the information and notes required by IFRS Accounting Standards as issued by the International Accounting Standards Board ("**IFRS Accounting Standards**") for full annual financial statements and should be read in conjunction with the Company's audited annual consolidated financial statements as at and for the years ended December 31, 2025 and 2024 ("**Annual Financial Statements**"). The accounting policies applied in the preparation of these Interim Financial Statements are consistent with those applied and disclosed in the Annual Financial Statements.

These Interim Financial Statements have been prepared on a historical cost basis, except for certain financial instruments which have been measured at fair value. These Interim Financial Statements are presented in Canadian dollars, which is the functional currency of the Company and its subsidiaries. References to "**US$**" are for United States Dollars

These Interim Financial Statements were approved by the board of directors on August 5, 2026.

Basis of consolidation

These Interim Financial Statements include the accounts of the Company and its wholly-owned subsidiaries, BW Gold Ltd. ("**BWG**") and 1337890 B.C. Ltd., all of which are domiciled in Canada. All inter-company balances, transactions, income and expenses have been eliminated upon consolidation.

2. BASIS OF PREPARATION (CONTINUED)

Accounting standards adopted as of January 1, 2026

- Amendments to IFRS 9 and IFRS 7, *Amendments to the Classification and Measurement of Financial Instruments* ("**Amendments to IFRS 9 and IFRS 7**"): In May 2024, the IASB issued Amendments to IFRS 9 and IFRS 7 which clarify the date of recognition and derecognition of some financial assets and liabilities with a new exception for some financial liabilities settled through an electronic cash transfer system, clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest criterion, add new disclosures for certain instruments with contractual terms that can change cash flows such as instruments with features linked to the achievement of environment, social and governance targets; and update the disclosures for equity instruments designated at Fair value through other comprehensive income ("**FVOCI**"). Amendments to IFRS 9 and IFRS 7 are effective for periods beginning on or after January 1, 2026, with early adoption permitted. For financial liabilities settled in cash using an electronic payment system, we applied the election to deem these financial liabilities to be discharged before the settlement date. The amendment has been applied retrospectively with no restatement of comparative information, in accordance with transition requirements on initial application of IFRS 9, and adoption did not have a material impact on our condensed consolidated interim financial statements. The Company has determined the other amendments did not have a material impact.

Accounting standards issued but not yet adopted

- IFRS 18, *Presentation and Disclosure in Financial Statements* ("**IFRS 18**"): In April 2024, the IASB issued IFRS 18, which will replace IAS 1. IFRS 18 is effective and will be applied retrospectively for periods beginning on or after January 1, 2027, with early adoption permitted. IFRS 18 will require defined categories and subtotals in the statement of income or loss, require disclosure about management-defined performance measures, and adds new principles for aggregation and disaggregation of information. The Company is assessing the impact of this standard on its disclosures. Due to the classification of income and expenses as operating, investing, or financing under IFRS 18, the Company expects changes to its subtotals on the statements of income or loss. The Company is assessing which of its reported performance measures would constitute management-defined performance measures under IFRS 18. The Company continues to assess the impact of IFRS 18 on its disclosures.

3. SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES

The Company's interim results are not necessarily indicative of its results for a full year. The significant accounting policy judgments and areas of estimation uncertainty that applied in the preparation of these Interim Financial Statements are consistent with those applied and disclosed in Notes 4 and 5 of the Annual Financial Statements.

(Unaudited - Expressed in Canadian Dollars and tables expressed in thousands of Canadian Dollars, unless otherwise noted)

4. INVENTORIES

	June 30, 2026 $	December 31, 2025 $
Stockpiled ore	301,844	166,048
Gold in circuit	6,013	7,329
Finished goods	1,018	3,601
Materials and supplies	23,520	11,855
Closing balance	**332,395**	**188,833**
Less: current portion	(43,268)	(31,266)
Non-current portion	**289,127**	**157,567**

Non-current inventories represent stockpiled ore that is not expected to be processed within the next 12 months. As at June 30, 2026 and December 31, 2025, $94.5 million and $55.7 million, respectively, of depreciation and depletion was included in inventory.

5. MINERAL PROPERTY, PLANT AND EQUIPMENT

	Mineral property $	Construction-in-progress $	Property, plant and equipment $	Right of use assets $	Total $
COST					
Balance, January 1, 2025	742,295	777,966	8,220	135,636	1,664,117
Additions	302,441	246,359	1,286	20,130	570,216
De-recognition of variable consideration payable (Note 9)	(55,833)	-	-	-	(55,833)
Transfers	209,117	(846,042)	637,878	(953)	-
Balance, December 31, 2025	**1,198,020**	**178,283**	**647,384**	**154,813**	**2,178,500**
Additions	64,387	222,694	1,662	12,392	301,135
Transfers	105,468	(109,424)	3,956	-	-
Balance, June 30, 2026	**1,367,875**	**291,553**	**653,002**	**167,205**	**2,479,635**
Balance, January 1, 2025	-	-	(5,307)	(14,299)	(19,606)
Depreciation	(57,868)	-	(8,757)	(26,002)	(92,627)
Balance, December 31, 2025	**(57,868)**	**-**	**(14,064)**	**(40,301)**	**(112,233)**
Depreciation and depletion	(45,085)	-	(5,510)	(13,534)	(64,129)
Balance, June 30, 2026	**(102,953)**	**-**	**(19,574)**	**(53,835)**	**(176,362)**
NET BOOK VALUE					
Balance, December 31, 2025	**1,140,152**	**178,283**	**633,320**	**114,512**	**2,066,267**
Balance, June 30, 2026	**1,264,922**	**291,553**	**633,428**	**113,370**	**2,303,273**

Total depreciation recognized during the six months ended June 30, 2026 and 2025 was $64.1 million and $31.5 million, respectively, of which $25.4 million and $8.8 million, respectively, was expensed in the statements of income during the six months ended June 30, 2026 and 2025.

(Unaudited - Expressed in Canadian Dollars and tables expressed in thousands of Canadian Dollars, unless otherwise noted)

5. MINERAL PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

The additions to mineral property during the six months ended June 30, 2026 and 2025 includes $14.9 million and $31.8 million, respectively, in changes in the asset retirement obligation estimate (Note 8) and $45.7 million and $10.1 million, respectively, as a result of the 65% discount on gold ounces delivered into the Gold Stream (Note 9b).

During the six months ended June 30, 2026 and 2025, the Company capitalized borrowing costs of $nil and $26.1 million, respectively, to mineral property, plant and equipment. During the six months ended June 30, 2026 and 2025, the Company capitalized depreciation of $nil and $6.2 million, respectively, to mineral property, plant and equipment. During the six months ended June 30, 2026 and 2025, the Company capitalized share-based payments of $2.9 million and $20.0 million, respectively, to mineral property, plant and equipment. Following the commencement of commercial production on May 1, 2025, the Company ceased capitalizing borrowing costs related to Phase 1 construction and certain depreciation related to assets used in mine construction.

6. LEASE LIABILITIES

The Company's lease liabilities are primarily related to the mobile equipment fleet at the Blackwater Mine under the mobile equipment master lease agreement ("MLA"). The Company's lease liabilities have interest rates that vary between 5.3% to 8.0%.

	For the six months ended June 30, 2026 $	For the year ended December 31, 2025 $
Opening balance	**143,172**	**132,647**
Additions	12,392	20,130
Lease payments	(15,790)	(20,650)
Interest	3,800	11,045
Closing balance	**143,574**	**143,172**
Less: current portion	(29,992)	(26,537)
Non-current portion	**113,582**	**116,635**

Future scheduled lease payments, comprising principal and interest, are disclosed in Note 16.

7. LONG-TERM DEBT

Senior Unsecured Notes

On February 3, 2026, the Company closed a private placement offering of $450.0 million aggregate principal amount of senior unsecured notes due February 15, 2031 (the "Notes"). The Notes bear interest at the rate of 5.625% per annum, which is payable semi-annually. The Company has the option to redeem all or part of the Notes at any time on or after February 15, 2028. The Notes were issued at par under a trust indenture and are direct senior unsecured obligations of the Company ranking equal with all other present and future senior unsecured indebtedness of the Company.

The proceeds from the senior unsecured notes were used to refinance the amounts outstanding under the RCF and pay transaction costs related to Notes issuance.

The Company incurred $9.4 million in transaction costs, consisting of underwriting, legal, and other financing expenses related to the Notes. This amount had been recorded as a part of the amortized cost of long-term debt and will be amortized over the term of the Notes on an effective interest rate basis. Taking into account the financing costs, the effective interest on the Notes is 6.06%.

Revolving Credit Facility

On September 26, 2025, the Company executed a credit agreement with a syndicate of lenders for a revolving credit facility (the "RCF") for an aggregate amount of $700.0 million. The term of the RCF is four years, maturing on September 26, 2029, with an annual rolling extension. Amounts that are borrowed under the RCF will incur variable interest based on Term Canadian Overnight Repo Rate Average ("CORRA") plus a margin ranging from 2.25% to 3.25%, determined based on the Company's ratio of Net Debt to adjusted EBITDA. There is a standby fee charged on the undrawn loan balance which rate ranges from 0.506% to 0.731%, depending on the Company's leverage ratio. As at June 30, 2026, the full $700 million under the facility is available for future potential drawdowns.

Covenants

As at June 30, 2026, the Company was in compliance with its long-term debt covenants.

(Unaudited - Expressed in Canadian Dollars and tables expressed in thousands of Canadian Dollars, unless otherwise noted)

7. LONG-TERM DEBT (CONTINUED)

The following table summarizes the balance of long-term debt for the period-ends presented:

	June 30, 2026 $	December 31, 2025 $
Senior Unsecured Notes	451,354	-
Revolving Credit Facility	-	450,134
Total - closing balance	**451,354**	**450,134**
Less: Accrued interest payable	(10,194)	-
Closing balance, excluding accrued interest payable	**441,160**	**450,134**

The following table summarizes the changes to long-term debt for the periods presented:

	For the six months ended June 30, 2026 $	For the year ended December 31, 2025 $
RCF - Opening balance	**450,134**	**-**
Proceeds received on drawdowns	-	458,000
Interest expense	2,042	6,403
Interest payments	(2,532)	(5,913)
Principal payments	(458,000)	-
Financing costs	-	(8,823)
Amortization of financing costs	360	467
De-recognition of financing costs	7,996	-
RCF - Closing balance	**-**	**450,134**
Senior Unsecured Notes - Opening balance		**-**
Proceeds received	450,000	-
Interest expense	10,194	-
Financing costs	(9,427)	-
Amortization of financing costs	587	-
Senior Unsecured Notes - Closing balance	**451,354**	**-**
Total - Closing balance	**451,354**	**450,134**

(Unaudited - Expressed in Canadian Dollars and tables expressed in thousands of Canadian Dollars, unless otherwise noted)

8. ASSET RETIREMENT OBLIGATION

	Carrying amount $
Balance, January 1, 2025	**46,300**
Accretion expense	1,046
Change in obligation estimate	71,345
Balance, December 31, 2025	**118,691**
Accretion expense	1,132
Change in obligation estimate	14,935
Balance, June 30, 2026	**134,758**

As at June 30, 2026 and December 31, 2025, the inflation rate assumption for mine closure activities was 2.19% per annum and for post-closure water management and monitoring activities was 2.00% per annum. The discount rate assumption for mine closure activities was 3.77% per annum (December 31, 2025 - 3.85% per annum) and for post-closure water management and monitoring activities was 4.42% per annum (December 31, 2025 – 4.57% per annum). The Company distinguishes between mine closure and post-closure activities due to the long duration of time of future cash flows related to the post-closure water management and monitoring activities.

As at June 30, 2026, the Company had surety bonds totaling $268.5 million (December 31, 2025 - $224.6 million), which were primarily for reclamation and environmental security.

9. DEFERRED REVENUE

	Silver Stream $	Gold Stream Amendment $	Total $
Balance, January 1, 2025	**210,892**	**58,605**	**269,497**
Deposits	43,395	-	43,395
Accretion	19,222	3,809	23,031
Deferred revenue recognized	(11,172)	-	(11,172)
Balance, December 31, 2025	**262,337**	**62,414**	**324,751**
Less: current portion	(13,710)	-	(13,710)
Non-current portion	**248,627**	**62,414**	**311,041**
Balance, January 1, 2026	**262,337**	**62,414**	**324,751**
Accretion	10,230	1,996	12,226
Deferred revenue recognized	(6,602)	-	(6,602)
Balance, June 30, 2026	**265,965**	**64,410**	**330,375**
Less: current portion	(18,507)	-	(18,507)
Non-current portion	**247,458**	**64,410**	**311,868**

9. DEFERRED REVENUE (CONTINUED)

a) Silver Stream

The Company entered into a Silver Stream Precious Metals Purchase Agreement (the "**Silver Stream**") with a streaming company. Under the terms of the Silver Stream:

- The streaming company made upfront deposit payments in cash of US$140.8 million, payable in tranches during the major works construction of the Blackwater Mine, subject to certain conditions;
- The streaming company will purchase 50% of the silver production from the mineral reserves of Blackwater until approximately 18 million ounces of silver have been delivered, after which the stream reduces to 33% of the silver production for the LOM;
- The Silver Stream will be settled by Blackwater delivering silver metal to the streaming company; and
- As silver deliveries are made under the Silver Stream, the streaming company will make payments equal to 18% of the spot silver prices until the upfront deposit payment is reduced to zero, and 22% of the spot silver prices thereafter.

The upfront deposits received are accounted for as deferred revenue with a significant financing component. The upfront deposits have been used by the Company to fund the development and construction of the Blackwater Mine. The deferred revenue is being accreted to reflect the significant financing component at a pre-tax rate of 8%, being the estimated rate implicit to the Silver Stream.

In March 2025, the Company agreed to, and received the deposit for, a simplification of its Silver Stream pursuant to which the streaming company provided an additional stream deposit of US$30.0 million. The Company determined the simplification was a contract modification to the existing Silver Stream for which silver deliveries had not yet commenced and was accounted for as additional deferred revenue related to the original stream. The simplification did not impact the Company's conclusion that the Silver Stream meets the criteria of the 'own use' exemption under IFRS 9, *Financial Instruments* ("**IFRS 9**") and therefore falls outside the scope of financial instrument accounting.

The Silver Stream Agreement is a subordinated secured obligation of the Company, and its subsidiaries.

The current portion of deferred revenue related to the Silver Stream is based on the forecasted silver ounce production of Blackwater for the next twelve months.

During the three and six months ended June 30, 2026, the Company recognized $5.8 million and $12.1 million, respectively (three and six months ended June 30, 2025 - $5.2 million) of revenue of which $3.4 million and $6.6 million, respectively, was deferred revenue recognized in relation to deliveries of silver under the Silver Stream (three and six months ended June 30, 2025 - $3.9 million).

9. DEFERRED REVENUE (CONTINUED)

b) Gold Stream and Gold Stream Amendment

As part of the consideration associated with the original acquisition of Blackwater, the Company entered into a gold stream arrangement (the "**Gold Stream**") with the following attributes:

- The streaming company would receive a percentage of gold production from the Blackwater Mine as follows: 8% until 279,908 refined gold ounces (the "**Original Threshold Amount**") are delivered to and purchased by the streaming company, then 4% thereafter for the LOM. See below regarding the Amended Threshold Amount; and
- The streaming company will pay a purchase price equal to 35% of the US$ spot price for the gold ounces received. The 65% discount given will be recorded as an increase to the cost of the asset when incurred as variable consideration for the acquisition.

Subsequently, the Company entered into a separate amendment of the Gold Stream (the "**Gold Stream Amendment**"). The terms of the Gold Stream Amendment remain largely the same as the Gold Stream, with the main changes being:

- The streaming company made upfront deposit payments in cash of US$40 million, payable in tranches during the major works construction of the Blackwater Mine, subject to certain conditions;
- The Original Threshold Amount is increased to 464,000 refined gold ounces (the "**Amended Threshold Amount**"), resulting in the Company delivering approximately 92,000 additional gold ounces to the streaming company, starting in 2033 based on the current life of mine plan; and
- The Gold Stream Amendment will be settled by Blackwater delivering gold metal to the streaming company.

The upfront deposit amounts related to the Gold Stream Amendment are accounted for as deferred revenue with a significant financing component, with the related accretion expense being capitalized to mineral property until the Blackwater Mine is operating in a manner intended by management. The proceeds from the Gold Stream Amendment have been used by the Company to fund the development and construction of the Blackwater Mine. The deferred revenue associated with the Gold Stream Amendment is being accreted to reflect the significant financing component at a pre-tax rate of 6.5%, being the estimated rate implicit to the Gold Stream Amendment.

The Company and its subsidiaries have provided security in favour of the streaming company in respect of their obligations under the Gold Stream and Gold Stream Amendment. The streaming company also has a subordinated security interest over substantially all properties and assets of the Company and its subsidiaries and over the mining rights comprising the Blackwater Mine.

As the deliveries of the Amended Threshold Amount are not expected to begin until 2033, the entire amount of the deferred revenue related to the Gold Stream Amendment is recorded as non-current as of June 30, 2026.

(Unaudited - Expressed in Canadian Dollars and tables expressed in thousands of Canadian Dollars, unless otherwise noted)

10. EQUITY

a) Stock options

The Company may grant stock options to its directors, executive officers, employees and consultants to acquire a maximum number of common shares equal to 10% of the total issued and outstanding common shares of the Company exercisable for a period of up to 10 years from the date of grant, subject to vesting conditions.

The Company uses the Black Scholes option pricing model to determine the fair value of stock options granted. As at June 30, 2026, the Company had the following stock options outstanding and exercisable:

	Number of stock options #	Weighted-average exercise price $
Outstanding – January 1, 2025	**13,632,489**	**5.19**
Granted	1,976,000	23.53
Exercised	(6,079,454)	5.33
Forfeited	(242,382)	9.85
Outstanding – December 31, 2025	**9,286,653**	**8.88**
Granted	31,300	38.22
Exercised	(1,455,323)	6.10
Forfeited	(35,533)	21.57
Outstanding – June 30, 2026	**7,827,097**	**9.46**

The following table summarizes the options outstanding and exercisable at June 30, 2026 and December 31, 2025:

As at June 30, 2026	Total options outstanding			Total options exercisable		
Range of exercise price	Number	Weighted average remaining contractual life (years)	Weighted average exercise price	Number	Weighted average remaining contractual life (years)	Weighted average exercise price
$1.00-$3.00	1,150,000	3.4	$1.18	1,150,000	3.4	$1.18
$3.01-$5.00	1,727,072	1.6	$4.80	1,727,072	1.6	$4.80
$5.01-$7.00	1,489,321	0.5	$5.42	1,390,986	0.4	$5.41
$7.01-$9.00	1,648,505	2.7	$7.24	915,012	2.7	$7.24
$9.01+	1,812,199	4.0	$24.49	404,504	3.8	$19.12
	7,827,097	**2.4**	**$9.46**	**5,587,574**	**2.0**	**$5.64**

As at December 31, 2025	Total options outstanding			Total options exercisable		
Range of exercise price	Number	Weighted average remaining contractual life (years)	Weighted average exercise price	Number	Weighted average remaining contractual life (years)	Weighted average exercise price
$1.00-$3.00	1,150,000	3.9	$1.18	1,150,000	3.9	$1.18
$3.01-$5.00	2,391,160	2.1	$4.82	1,438,662	2.1	$4.79
$5.01-$7.00	1,919,989	1.0	$5.43	1,821,654	0.9	$5.42
$7.01-$9.00	1,931,504	3.2	$7.24	457,174	3.2	$7.23
$9.01+	1,894,000	4.5	$23.87	100,000	4.5	$25.16
	9,286,653	**2.8**	**$8.88**	**4,967,490**	**2.2**	**$4.82**

(Unaudited - Expressed in Canadian Dollars and tables expressed in thousands of Canadian Dollars, unless otherwise noted)

10. EQUITY (CONTINUED)

a) Stock options (continued)

Share-based payments arising from stock options that were recognized during the three and six months ended June 30, 2026 totalled $2.4 million and $5.6 million, respectively (three and six months ended June 30, 2025 - $2.2 million and $4.3 million, respectively) of which $1.4 million and $3.0 million, respectively, was expensed in the consolidated statements of income and comprehensive income (three and six months ended June 30, 2025 - $0.8 million and $1.7 million, respectively) and the remainder capitalized to mineral property or included in inventory costs.

The following assumptions were used in the valuation of the stock options granted during the three and six months ended June 30, 2026 and 2025:

	For the three months ended June 30, 2026 $	For the three months ended June 30, 2025 $	For the six months ended June 30, 2026 $	For the six months ended June 30, 2025 $
Annualized volatility	51%	54%	51%	54% -59%
Expected life (years)	5	5	5	5
Dividend rate	0.00%	0.00%	0.00%	0.00%
Risk-free interest rate	3.08%	2.89%	2.74% - 3.08%	2.60% - 2.89%

The risk-free rate for periods within the contractual term of the option is based on the Bank of Canada administered interest rates in effect at the time of the grant. Expected volatilities were based on the historical volatility of the Company's share price.

b) Restricted Share Units

The Company had previously adopted a cash-settled Share Unit Plan ("**Share Unit Plan**"). Recipients of Restricted Share Units ("**RSUs**") issued under the Share Unit Plan will receive a cash settlement in the amount equal to the market price of the RSUs on their vesting dates, with such amounts to be paid within 30 days of the respective vesting dates. The Company later adopted the Omnibus Incentive Plan ("**Omnibus Plan**"). Once RSUs issued under the Omnibus Plan vest, settlement shall be made by the issuance of one Common Share for each RSU being settled, a cash payment equal to the market price on the vesting date of the RSUs being settled in cash, or a combination of shares and cash, all as determined by the Board in its sole discretion.

During the six months ended June 30, 2026, the Company granted a total of 142,200 RSUs under the Omnibus Plan to non-independent directors, officers and employees of the Company. Share-based payments arising from RSUs issued under the Omnibus Plan that were recognized during the three and six months ended June 30, 2026 totalled $1.7 million and $3.4 million, respectively (three and six months ended June 30, 2025 - $1.4 million and $2.2 million, respectively) of which $1.2 million and $2.2 million, respectively (three and six months ended June 30, 2025 - $0.5 million and $0.8 million, respectively) was expensed in the consolidated statements of income and comprehensive income and the remainder capitalized to mineral property or included in inventory costs.

10. EQUITY (CONTINUED)

b) Restricted Share Units (continued)

Share-based payments arising from RSUs issued under the Share Unit Plan that were recognized during the three and six months ended June 30, 2026 totalled $nil and $1.1 million, respectively (three and six months ended June 30, 2025 - $1.3 million and $2.5 million, respectively) of which $nil and $0.7 million, respectively (three and six months ended June 30, 2025 – $0.1 million and $0.7 million, respectively) was expensed in the consolidated statements of income and comprehensive income and the remainder capitalized to mineral property or included in inventory costs. During the six months ended June 30, 2026, the Company settled the last remaining tranche of RSUs issued under the Share Unit Plan, as such, no RSUs issued under the Share Unit Plan remain outstanding as at June 30, 2026.

The Company has 641,584 and 828,460 RSUs outstanding under the Omnibus Plan as of June 30, 2026 and December 31, 2025, respectively. RSUs outstanding under the Share Unit Plan as of June 30, 2026 and December 31, 2025 was nil and 168,526, respectively.

c) Deferred Share Units

Under the Share Unit Plan, deferred share units (“**DSUs**”) may be granted to non-executive directors of the Company from time to time. Vested DSUs issued under the Share Unit Plan are to be settled in a cash amount equal to the market price of the vested DSUs on the date that the person ceases to be a director of the Company, with the settlement to occur within 30 days of the person ceasing to be a director of the Company. Vested DSUs issued under the Omnibus Plan may be redeemed by non-executive directors once they cease to be a director of the Company by providing a redemption notice to the Company specifying the redemption date which will be at least six months following the date that the person ceased to be a non-executive director, but no later than December 15th of the year following which the person ceased to be a non-executive director. The former non-executive director would be entitled to one common share for each vested DSU under the Omnibus Plan, or a cash payment equal to the market value of such vested DSUs on the redemption date, or a combination of shares and cash, all as determined by the Board in its sole discretion.

During the six months ended June 30, 2026, the Company granted 12,300 DSUs under the Omnibus Plan. Share-based payments arising from DSUs issued under the Omnibus Plan that were recognized during the three and six months ended June 30, 2026 totalled $0.1 and $0.2 million, respectively (three and six months ended June 30, 2025 - $0.1 million in each respective period), of which the entire amount was expensed in the consolidated statements of income and comprehensive income.

Share-based payments arising from re-measurement of DSUs issued under the Share Unit Plan resulted in recoveries of $0.4 million and $0.3 million, for the three and six months ended June 30, 2026, respectively (three and six months ended June 30, 2025 – expense of $0.2 million and $0.5 million, respectively) of which the entire amount was included in the consolidated statements of income and comprehensive income.

The Company has 65,700 and 53,400 DSUs outstanding under the Omnibus Plan as of June 30, 2026 and December 31, 2025, respectively. The Company has 54,000 DSUs outstanding under the Share Unit Plan as of June 30, 2026 and December 31, 2025.

(Unaudited - Expressed in Canadian Dollars and tables expressed in thousands of Canadian Dollars, unless otherwise noted)

10. EQUITY (CONTINUED)

d) Performance Share Units

Under the Omnibus Plan, once performance share units ("**PSUs**") vest, settlement shall be made by the issuance of one common share for each PSU being settled, a cash payment equal to the market price on the vesting date of the PSUs being settled in cash, or a combination of shares and cash, all as determined by the Board in its sole discretion. For PSUs subject to achievement of a market-based performance condition, the number of units to be issued on the vesting date will vary from 0% to 200% of the number of PSUs granted, depending on the achievement of performance criteria set by the Board of Directors. The PSUs vest at the end of a three-year performance period. The fair value of a PSU is estimated based on the quoted market price of the Company's common shares price at grant date and the number of PSUs estimated to be issued is dependent upon the estimated probability of achieving the performance criteria. For PSUs subject to achievement of a specified non-market-based performance conditions, including completion of construction targets, the number of units to be issued on the vesting date will vary from 40% to 123% of the number of PSUs granted, depending on the achievement of performance criteria set by the Board of Directors. The PSUs vest at the end of a three-year performance period. The fair value of a PSU is estimated based on the quoted market price of the Company's common shares price at grant date and the number of PSUs estimated to vest. At each reporting date, management reassesses the number of awards expected to vest based on the estimated probability of achieving the set performance conditions.

During the six months ended June 30, 2026, the Company granted 313,300 PSUs under the Omnibus Plan. The Company has 310,600 and nil PSUs outstanding under the Omnibus Plan as of June 30, 2026 and December 31, 2025, respectively.

Share-based payments arising from PSUs issued under the Omnibus Plan that were recognized during the three and six months ended June 30, 2026 totalled $0.9 million and $1.1 million, respectively (three and six months ended June 30, 2025 - $nil in each respective period) of which $0.3 million and $0.4 million, respectively (three and six months ended June 30, 2025 - $nil in each respective period) was expensed in the consolidated statements of income and comprehensive income, respectively.

e) Income per common share

	For the three months ended June 30, 2026	For the three months ended June 30, 2025	For the six months ended June 30, 2026	For the six months ended June 30, 2025
Net income	$199,020	$100,186	$313,220	$104,829
Basic weighted average shares outstanding	234,036,481	228,071,254	233,418,662	226,781,701
Basic income per common share	**$0.85**	**$0.44**	**$1.34**	**$0.46**
Basic weighted average shares outstanding	**234,036,481**	**228,071,254**	**233,418,662**	**226,781,701**
Weighted average shares dilution adjustments:				
Stock options	5,737,312	6,693,439	5,834,149	6,234,416
RSUs	433,002	464,987	445,993	405,178
DSUs	51,060	38,530	51,972	36,235
PSUs	-	-	-	-
Diluted weighted average shares outstanding	**240,257,855**	**235,268,210**	**239,750,776**	**233,457,530**
Diluted income per common share	**$0.83**	**$0.43**	**$1.31**	**$0.45**

(Unaudited - Expressed in Canadian Dollars and tables expressed in thousands of Canadian Dollars, unless otherwise noted)

11. REVENUE

The following table summarizes revenue:

	For the three months ended June 30, 2026	For the three months ended June 30, 2025	For the six months ended June 30, 2026	For the six months ended June 30, 2025
Gold	426,215	224,255	734,263	265,054
Silver	7,369	6,809	14,704	7,077
	433,584	**231,064**	**748,967**	**272,131**

Revenue broken down into cash and non-cash components are summarized in the table below:

	For the three months ended June 30, 2026	For the three months ended June 30, 2025	For the six months ended June 30, 2026	For the six months ended June 30, 2025
Gold revenue				
Gold sold into the spot market	300,134	168,492	454,104	208,832
Gold delivered into the Gold Stream (Note 9)	13,046	5,269	24,632	5,430
Gold delivered into Mandatory Hedges (Note 16)	44,929	-	116,021	-
Gold delivered into Discretionary Hedges (Note 16)	23,449	30,186	46,927	30,186
Total gold revenue (cash)	**381,558**	**203,947**	**641,684**	**244,448**
Gold delivered into the Gold Stream (Note 9) - value of 65% discount	24,228	9,786	45,728	10,084
Gold delivered into Discretionary Hedges (Note 16) - difference between market price and hedge price	20,429	10,522	46,851	10,522
Total gold revenue (non-cash)	**44,657**	**20,308**	**92,579**	**20,606**
Total gold revenue	**426,215**	**224,255**	**734,263**	**265,054**
Silver revenue				
Silver sold into the spot market	1,597	1,594	2,637	1,862
Silver delivered into the Silver Stream (Note 9)	2,359	1,277	5,465	1,277
Total silver revenue (cash)	**3,956**	**2,871**	**8,102**	**3,139**
Silver delivered into the Silver Stream (Note 9) - amortization of deferred revenue	3,413	3,938	6,602	3,938
Total silver revenue (non-cash)	**3,413**	**3,938**	**6,602**	**3,938**
Total silver revenue	**7,369**	**6,809**	**14,704**	**7,077**
Total gold and silver revenue	**433,584**	**231,064**	**748,967**	**272,131**

(Unaudited - Expressed in Canadian Dollars and tables expressed in thousands of Canadian Dollars, unless otherwise noted)

12. PRODUCTION COSTS

	For the three months ended June 30, 2026	For the three months ended June 30, 2025	For the six months ended June 30, 2026	For the six months ended June 30, 2025
Direct production costs	134,803	75,442	252,687	96,399
Selling costs and royalties	7,197	4,066	13,853	4,066
Share-based payments	1,088	2,556	3,786	3,333
Change in inventories	(46,162)	(26,678)	(91,079)	(39,860)
	96,926	**55,386**	**179,247**	**63,938**

13. GENERAL AND ADMINISTRATIVE EXPENSE

	For the three months ended June 30, 2026	For the three months ended June 30, 2025	For the six months ended June 30, 2026	For the six months ended June 30, 2025
Depreciation	128	158	267	328
Management fees and wages	1,543	1,494	4,681	3,257
Investor relations and corporate development	167	162	447	316
Office, insurance and general	314	516	689	853
Professional fees	452	524	1,266	1,105
Share-based payments	791	2,198	2,404	4,264
	3,395	**5,052**	**9,754**	**10,123**

14. FINANCE INCOME AND EXPENSE

	For the three months ended June 30, 2026	For the three months ended June 30, 2025	For the six months ended June 30, 2026	For the six months ended June 30, 2025
Finance income	**966**	**251**	**2,119**	**251**
Finance expense				
Amortization of financing costs	928	-	1,713	-
Interest expense on debt	4,828	7,725	10,754	7,725
Accretion expense on deferred revenue	6,140	4,021	12,226	4,021
Interest expense on lease liabilities	1,827	2,045	3,800	2,055
Accretion expense on asset retirement obligation	490	177	1,132	315
Other finance expense	1,200	630	2,073	630
Finance expense - total	**15,413**	**14,598**	**31,698**	**14,746**
Finance expense, net	**14,447**	**14,347**	**29,579**	**14,495**

Prior to the start of commercial production on May 1, 2025, borrowing costs were capitalized to mineral property, plant and equipment in relation to Phase 1 construction of the Blackwater Mine.

(Unaudited - Expressed in Canadian Dollars and tables expressed in thousands of Canadian Dollars, unless otherwise noted)

15. RELATED PARTY TRANSACTIONS AND KEY MANAGEMENT COMPENSATION

The Company transacts with key management personnel, who have authority and responsibility to plan, direct and control the activities of the Company and receive compensation for services rendered in that capacity. Amounts paid to related parties were incurred in the normal course of business. Key management consists of the Company's Executive Chair & Director, Chief Executive Officer and Director, President, Chief ESG Officer, Chief Financial Officer and Corporate Secretary, Chief Business Development Officer, and Directors. A portion of key management compensation is capitalized to inventories and mineral property, plant and equipment, depending on the nature of the individuals' responsibilities.

Compensation awarded to key management during the three and six months ended June 30, 2026 and 2025 was:

	For the three months ended June 30, 2026	For the three months ended June 30, 2025	For the six months ended June 30, 2026	For the six months ended June 30, 2025
Salaries and benefits	1,064	633	2,517	1,998
Consulting fees	556	380	1,058	1,202
Director fees	111	137	229	283
Share-based payments	3,391	2,846	7,187	5,506
	5,122	**3,996**	**10,991**	**8,989**

As at June 30, 2026, there were no outstanding amounts payable to key management personnel, other than cash-settled stock-based compensation liabilities of $1.7 million (December 31, 2025 – $6.2 million).

16. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Company's financial instruments consist of cash and cash equivalents, receivables, marketable securities, accounts payable and accrued liabilities, lease liabilities, long-term debt, and derivative assets and liabilities.

All financial instruments are initially recorded at fair value and classified as follows: cash and cash equivalents and receivables are classified as financial assets at amortized cost. Accounts payable and accrued liabilities and long-term debt are classified as financial liabilities and are measured at amortized cost. The Discretionary Hedges (as defined below) and gold put options, which are derivative financial instruments, are measured at fair value through profit or loss. Marketable securities are measured at FVOCI.

(Unaudited - Expressed in Canadian Dollars and tables expressed in thousands of Canadian Dollars, unless otherwise noted)

16. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTINUED)

Financial instrument risk exposure

Credit risk

Credit risk arises from the potential for non-performance by counterparties of contractual financial obligations. The Company's credit risk is primarily attributable to cash and cash equivalents. As at June 30, 2026, the Company has cash on deposit with six large Canadian chartered banks to counteract concentration risk. Management believes the risk of loss with respect to cash and cash equivalents to be remote. The Company does not have a significant receivable balance with respect to its metals sales and stream deliveries.

Liquidity risk

Liquidity risk is the risk that the Company cannot meet its obligations as they fall due. The Company's cash and cash equivalents are held in business accounts which are available on demand.

The Company's remaining undiscounted contractual commitments and obligations (which include future interest payments, as applicable) as at June 30, 2026 were as follows:

	< 1 year $	1-3 years $	4-5 years $	> 5 years $	Total $
Accounts payable, accrued liabilities and provisions	155,689	-	-	-	155,689
Lease liabilities	36,742	78,378	42,949	3,410	161,479
Operations commitments	266,781	-	-	-	266,781
Construction commitments	228,645	-	-	-	228,645
Long-term debt	-	-	450,000	-	450,000
Interest on long-term debt	26,145	50,694	50,625	-	127,464
Asset retirement obligation	-	-	-	294,857	294,857
Financing obligations	4,271	3,357	-	-	7,628
Total	**718,273**	**132,429**	**543,574**	**298,267**	**1,692,543**

Contractual commitments related to lease liabilities represent future repayments of principal and interest on the construction and mining fleet leased under the MLA, as well as the corporate office leases. The remaining undrawn amount available under the MLA was $58.6 million as at June 30, 2026. Operations and construction commitments and financing obligations represent purchase commitments for Blackwater operations and construction related to Phase 1A and Expanded Phase 2 ("**EP2**") mine development. Long-term debt and interest on long-term debt represents contractual commitments on the senior unsecured notes. Asset retirement obligation commitments represent the estimated cost of legal and constructive obligations associated with retiring Blackwater Mine assets, including decommissioning, site restoration, post-closure water management and monitoring activities, undiscounted and unadjusted for inflation.

16. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTINUED)

Market risk

Market risk is the risk that the fair market value of the Company's financial instruments will significantly fluctuate due to changes in market prices. The value of the financial instruments can be affected by changes in interest rates, equity and commodity prices, and currency rates.

i. Interest rate risk

Interest rate risk is the risk that the future cash flows from a financial instrument will fluctuate due to changes in market interest rates. The Company holds its cash in bank accounts that earn variable interest rates. The Company's other current financial assets and current financial liabilities are generally not exposed to interest rate risk because of their short-term nature. Any draw under the Company's RCF and leases of equipment under the Company's MLA are currently at an interest rate benchmarked to CORRA which exposes the Company to interest rate risk. Based on amounts outstanding as at June 30, 2026, a 1% change in interest rates on the Company's cash in bank accounts and amounts outstanding under the MLA would result in a change of approximately $0.3 million in interest incurred on an annualized basis.

ii. Price risk

Mandatory Hedge Program

As required under the terms of the Company's previous Project Loan Facilities, the Company entered into gold forward sales contracts (the "Mandatory Hedge Program") for 190,000 ounces of gold. The Company has determined the gold forward sales contracts under the Mandatory Hedge Program meet the criteria for the 'own use' exemption under IFRS 9, and as such, they fall outside the scope of financial instrument accounting. During the six months ended June 30, 2026, the Company delivered 41,001 ounces under the Mandatory Hedge Program. The remaining gold forward sales contracts under the Mandatory Hedge Program mature as follows at a weighted average price of $2,820 per ounce:

- During the 3 months ending September 30, 2026 – 15,826 ounces
- During the 3 months ending December 31, 2026 – 12,158 ounces
- During the 12 months ending December 31, 2027 – 63,307 ounces
- During the 12 months ending December 31, 2028 – 35,535 ounces

The Company's future cash flow from mining operations is subject to commodity price risk from fluctuations in the market for prices for gold and silver. The Company may enter commodity hedging contracts from time to time to reduce its exposure to fluctuations in spot commodity prices.

Discretionary Hedges

The Company had also previously entered into gold forward sales contracts for 30,000 ounces of gold, to reduce the risk associated with future fluctuations of the price of gold (the "Discretionary Hedges").

During the six months ended June 30, 2026, the Company settled 14,000 ounces of gold forward sales contracts under the Discretionary Hedges, resulting in the recognition of $93.8 million in revenue. Upon settlement, the associated portion of the derivative liability was derecognized, and the full spot market value of the ounces delivered was recognized in revenue. The cash proceeds received reflected the fixed contractual prices under the respective forward sales agreements.

16. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTINUED)

Market risk (continued)

ii. Price risk (continued)

Discretionary Hedges (continued)

As at June 30, 2026, the Company had outstanding gold forward sales contracts for 7,000 ounces to be settled in July 2026 at a weighted average price of $3,345 per ounce and recognized a derivative liability of $16.6 million (December 31, 2025 – $54.9 million). Based on the gold forward sales contracts outstanding as at June 30, 2026, a 1% change in Canadian dollar-denominated gold forward price curves would result in a change of approximately $0.2 million in the Company's derivative liability.

For the three and six months ended June 30, 2026, the Company recorded a gain of $6.8 million and a loss of $8.6 million, respectively (three and six months ended June 30, 2025 – losses of $1.7 million and $22.6 million, respectively), primarily due to movements in the Canadian dollar gold forward price curves.

Gold put options

During the three months ending June 30, 2026, the Company entered into gold put option contracts for 172,500 ounces of gold exercisable at a strike price of $5,300 per ounce, with expiry dates between July 2026 and June 2027, to reduce price risk during the Phase 1A and EP2 construction periods. The Company paid premiums for these gold put options of $36.3 million.

As at June 30, 2026, the Company recognized a derivative asset of $29.0 million. Based on the gold put option contracts outstanding as at June 30, 2026, a 1% change in Canadian-dollar denominated spot gold prices would result in a change of approximately $2.8 million in the Company's derivative asset.

For the three and six months ended June 30, 2026, the Company recorded a loss of $7.3 million (three and six months ended June 30, 2025 – $nil), primarily due to movements in Canadian dollar gold spot prices and volatility rates.

Marketable securities

As at June 30, 2026, the Company's investment in marketable securities is classified and measured at FVOCI. A 5% change in the applicable market prices would have resulted in a change of $0.9 million in the Company's marketable securities.

iii. Currency risk

The functional currency of the Company is the Canadian dollar. Currency transaction risk is the risk that fluctuations of the Canadian dollar in relation to other currencies may impact the fair value of financial assets or liabilities. As of June 30, 2026, the Company had US dollar denominated cash deposits of US$1.1 million. There were no other significant financial assets or liabilities subject to currency translation risk.

(Unaudited - Expressed in Canadian Dollars and tables expressed in thousands of Canadian Dollars, unless otherwise noted)

16. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTINUED)

Market risk (continued)

Fair value

A three-level hierarchy for fair value measurements exists based upon the significance of inputs used in making fair value measurements:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 – Inputs for the asset or liability that are not based on observable market data.

As at June 30, 2026, the carrying value of the Company's cash and cash equivalents, restricted cash, receivables, as well as accounts payable approximate their fair values due to their short-term nature. The gold put options have an estimated fair value of $29.0 million, based on the spot price for gold denominated in Canadian dollars, the prevailing forward curve, implied volatility and time to maturity. The fair value of the gold put options is considered to be a Level 2 fair value measurement in the hierarchy. The fair value of the Company's equity investment in Velocity Minerals Ltd ("VLC") is $9.4 million, which was determined using the period-end share price of VLC. The marketable securities have a fair value of $17.8 million using the period-end quoted market prices of the investments. As the senior unsecured notes were recently issued in February 2026 and initially recognized at fair value, their carrying amount approximates fair value. The Discretionary Hedges have an estimated fair value liability of $16.6 million determined based on forward price curves for gold denominated in Canadian dollars. The fair value of the Discretionary Hedges is considered to be a Level 2 fair value measurement in the hierarchy.

Fair value is based on available public market information or, when such information is not available, estimated using present value or option pricing techniques and assumptions concerning the amount and timing of future cash flows and discount rates which factor in the appropriate credit risk.

17. SUPPLEMENTAL CASH FLOW INFORMATION

	For the three months ended June 30, 2026	For the three months ended June 30, 2025	For the six months ended June 30, 2026	For the six months ended June 30, 2025
Non-cash changes in working capital in investing activities:				
Mineral property, plant and equipment	(3,457)	(61,144)	(9,082)	(53,601)
Non-cash investing and financing activities:				
Capitalized interest	-	5,391	-	26,097
Capitalization of change in asset retirement obligation	9,513	14,046	14,935	31,793
Capitalization of non-cash component of revenue - Gold Stream	24,228	10,084	45,728	10,084
Additions of right of use assets	12,392	3,808	12,392	17,266
Capitalized depreciation	-	1,582	-	6,218
Capitalized share-based payments	2,720	19,232	2,887	20,035
Other non-cash investing and financing activities	2,311	8,376	1,482	12,861

18. CONTINGENCIES

The Company may become subject to legal proceedings, claims, regulatory investigations and other proceedings in the ordinary course of its business, including the action(s) described below.

On November 20, 2024, Sedgman Canada Ltd. ("**Sedgman**") filed a claim of lien pursuant to the Builders Lien Act (British Columbia) alleging unpaid amounts due from BWG, a subsidiary of Artemis Gold, in the amount of $88,967,137 (the "**Lien**") and on December 19, 2024, filed a Notice of Civil Claim in the Supreme Court of British Columbia ("**Sedgman Claim**") against BWG and Artemis Gold as guarantor, alleging, amongst other claims, breaches of the Engineering, Procurement and Construction Contract. On February 13, 2025, BWG and Artemis Gold filed a Response to Civil Claim and a Counterclaim, opposing all of the claims and allegations made within the Sedgman Claim and Lien, and seeking recovery of losses and damages (the "**Counterclaim**"), which is based on costs incurred by the Company in excess of $150 million. The losses and damages noted in the Counterclaim were incurred by BWG as a result of Sedgman's breach of Contract, negligence, and intentional and willful misconduct. On April 9, 2025, Sedgman filed its Response to Counterclaim, denying the claims set out in BWG's Counterclaim.

The Company believes the allegations made in the Sedgman Claim are without merit, the Company's Counterclaim is valid and its value significantly exceeds the alleged Sedgman Claim and Lien. Although no assurance can be given with respect to the ultimate outcome of proceedings, the Company does not currently expect that the matter will result in a material net liability and has not recorded any provisions in relation thereto. The Company will continually monitor and re-assess the likelihood and magnitude of any net liability associated with such proceedings.

19. SUBSEQUENT EVENT

On August 5, 2026, the Company declared a quarterly cash dividend of $0.05 per common share of the Company, payable on September 9, 2026, to shareholders on the record date of August 19, 2026.