

# O3 Mining

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## MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

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This management's discussion and analysis (this "MD&A") reflects the assessment by management of the results and financial condition of O3 Mining Inc. ("O3 Mining" or the "Corporation") and should be read in conjunction with the audited consolidated financial statements of the Corporation for the years ended December 31, 2023 and 2022 and the notes thereto (the "Financial Statements"). Management is responsible for the preparation of the Financial Statements and this MD&A. The Financial Statements have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS"). This MD&A and the Financial Statements are available electronically on SEDAR+ ([www.sedarplus.ca](http://www.sedarplus.ca)) under O3 Mining's issuer profile and on O3 Mining's website ([www.o3mining.com](http://www.o3mining.com)).

Scientific and technical information contained in this MD&A was reviewed and approved in accordance with NI 43-101 by Louis Garipey, Vice President of Exploration of the Corporation, and a "qualified person" within the meaning of NI 43-101.

This MD&A contains forward-looking statements and should be read in conjunction with the risk factors described in the "Risks and Uncertainties" and the "Cautionary Note Regarding Forward-Looking Information" sections at the end of this MD&A.

This MD&A has been prepared as of March 6, 2024. All dollar figures in this MD&A are expressed in Canadian dollars, unless stated otherwise.

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## **DESCRIPTION OF BUSINESS**

O3 Mining is a Canadian corporation existing under the Business Corporations Act (Ontario). On July 5, 2019, O3 Mining was formed upon the completion of a spin-out transaction by Osisko Mining Inc. ("Osisko"), which resulted in a reverse takeover of Chantrell Ventures Corp. ("Chantrell") (subsequently renamed "O3 Mining Inc.") under the policies of the TSX Venture Exchange (the "Exchange"). Osisko spun-off its assets outside of its Windfall Mining project, including its holdings in NioGold Mining Corporation ("NioGold"), Northern Gold Mining Inc. ("Northern Gold"), and O3 Markets Inc., to O3 Mining by way of a statutory plan of arrangement under Section 182 of the Business Corporations Act (Ontario) (the "RTO"). As part of the RTO, the Corporation was continued from British Columbia to Ontario on June 28, 2019.

The Corporation is focused on the exploration and development of precious metals resource properties in Canada, currently focused on Québec, and looking for new opportunities to enhance shareholder value.

O3 Mining's flagship property, previously referred to as the "Marban property", which is located along the Cadillac Break in the Val-d'Or and Malartic areas, has been split into two properties now referred to as "Marban Alliance" and "Horizon".

The common shares of the Corporation (the "Common Shares") are listed for trading on the Exchange under the symbol "OIII" and are quoted on the OTCQX® Best Market under the symbol "OIIIF". See "Market for Securities".

The registered and head office of the Corporation is located at 155 University Avenue, Suite 1440, Toronto, Ontario, Canada, M5H 3B7.

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## **EXPLORATION STRATEGY**

O3 Mining's flagship property, previously referred to as the "Marban property", which is located along the Cadillac Break in the Val-d'Or and Malartic areas, has been split into two properties now referred to as **Marban Alliance** and **Horizon**.

The Corporation has filed a technical report in respect of Marban Alliance, covering specific claims and resources constituting the property previously referred to as Marban Engineering, entitled "*Marban Engineering Project NI 43-101 Technical Report & Pre-Feasibility Study Val-D'Or Québec, Canada*", dated as of October 7, 2022 (with an effective date of August 24, 2022) (the "Marban PFS"), prepared, reviewed and approved by Renee Barrette, ing., James Purchase, P.Geo., Carl Michaud, P.Eng., Ali Hooshidar, P.Eng., Davood Hasanloo, P. Eng., and Andréanne Hamel, ing., each of whom is a "qualified person" for purposes of National Instrument 43-101 – *Standards of Disclosure for Mineral Projects* ("NI 43-101"). **The Marban PFS covers the Marban Engineering project, which is a subset of specific claims and resources within the Marban Alliance Project (as defined herein).**

Marban Alliance is the Corporation's only material mineral project (the "Marban Alliance Project") as of the date of this MD&A for purposes of NI 43-101.

Exploration work associated with the Marban Alliance Project consists of expanding the existing resources, adding additional resources, and optimizing mining scenarios for a Feasibility Study.

Horizon is considered a "greenfield exploration" region and does not form part of the Marban Alliance Project and is not included within the subject matter of the Marban PFS.

Exploration work associated with Horizon is greenfield in nature and consists of identifying areas with the potential to have meaningful economic resources, which could be included in the Marban Alliance Project or could utilize existing regional infrastructure to move into production.

O3 Mining also has projects on its Alpha property in the Cadillac Break area, which have potential for advanced exploration, and possibly development, depending on the availability of regional infrastructure and the discovery of additional mineralization.

O3 Mining recently acquired and consolidated a new exploration area referred to as the Kinebik property, which is the combination of the historic Kinebik and Cameron properties. The Kinebik property is considered a "greenfield exploration" region along the Casa Berardi Break.

The Corporation also has additional projects in the Abitibi areas of Québec, as well as in Ontario.

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## **OUTLOOK**

The operational outlook below and described herein reflects the Corporation's current operations.

The Corporation continues to have a strong cash position of \$23.5 million, \$6.9 million in marketable securities, and an investment in associate with a market value of approximately \$18.7 million, in each case as at December 31, 2023. The Corporation is planning to spend approximately \$140,000 per month for the next twelve months on study advancement activities, which includes the costs associated with the recommended work remaining in the Marban PFS, and the costs associated with commissioning a feasibility study on Marban Alliance (the "Marban Alliance FS" or the "Feasibility Study"). In addition, the Corporation is planning to spend approximately \$300,000 to complete the environmental baseline study on Marban Alliance, as well as commencing an impact study later this year, both of which are necessary to advance permitting of mining operations on the project. The Corporation is also planning to spend approximately \$1.0 million per month on resource conversion, and additional exploration and evaluation activities. Based on the results of the above-noted exploration activities, the Corporation will determine future exploration activity. In addition to the anticipated expenditures noted above, the Corporation is planning to spend \$300,000 per month on site G&A, community relations, environmental, and permitting, along with \$380,000 per month on general corporate and administration expenses and salaries and benefits, excluding non-cash items.

Following the announcement of the maiden mineral resource estimate for Malartic H, which is located within the Marban Alliance Project area but not included in the mineral resource estimate in the Marban PFS, the Corporation made the decision to adjust the timeline for the Marban Alliance FS, which is now expected to commence in the first half of 2024. The Corporation is currently undertaking optimization studies that will define essential elements of the Feasibility Study including:

- annual production rate;
- selection of mining equipment;
- mining infrastructure required for operations;
- footprint and access; and
- regional processing alternatives.

The Corporation intends to complete the recommended work program outlined in the Marban PFS; however, the Corporation acknowledges that there may be some alteration or variation depending on the outcome of the optimization studies, which have been completed and are currently under review by management.

See *"Exploration and Project Developments – Marban Alliance – Developments and Progress"* below.

Following the recent financing, the Corporation has made the decision to advance previously contemplated undertakings, which include:

- 28,000 metres of in-fill drilling at Marban Alliance, on the Mallartic H resource, in order to potentially include additional resources to the upcoming Feasibility Study; and
- additional geotechnical work on the Marban Alliance Project.

The Corporation will only undertake additional exploration and evaluation activities should it have sufficient resources and if it deems such activities are in the best interest of the Corporation and its shareholders. Further activities currently contemplated by the Corporation include undertaking:

- regional exploration within the Horizon and Kinebik projects; and
- additional exploration within the Marban Alliance Project.

In addition, divestment is part of the Corporation's go-forward strategy of monetizing value from its non-core projects, either through sale or partnerships with strategic buyers who have strong management teams and are well-capitalized, as well as technically and operationally strong. This strategy will allow O3 Mining to focus on its core projects in Val-d'Or, Québec. While the current market capitalization is less than the book value of the Corporation's net assets, there are no indicators of impairment on any of our properties, which we continue to actively explore and evaluate.

### **Milestones and Objectives:**

The Corporation's primary focus is advancing the Marban Alliance Project into production. In order to achieve this objective, the following milestones are currently underway:

Milestone / Objective	Targeted Completion <sup>(1)</sup>	Work Complete <sup>(1)</sup> (%)	Remaining Cost <sup>(1)</sup> (Millions)	Status as of December 31, 2023
Recommended work from PFS	Q4 2024	91%	\$1.3	Remaining work contingent on the finalization of the scope of the Feasibility Study (See table under "Exploration and Project Developments – Marban Alliance – Developments and Progress").
Feasibility Study Report on Marban Alliance	Q1 2025	0%	\$1.1	Preparation of the final study once all the work recommended work from the PFS has been completed.
Impact Study	Q2 2025	0%	\$1.4	Will commence once the scope of the Feasibility Study is finalized.
Total			\$3.8	

**Note:**

(1) The targeted timing of completion, the percentage of work completed to date and the remaining cost needed to complete the milestones/objectives are estimates only.

### **Overall Performance:**

During the year ended December 31, 2023, the Corporation spent a total of \$23.7 million in furtherance of, among other things, the recommended work in the Marban PFS required to advance the Marban Alliance Project towards the completion of the Marban Alliance FS, other exploration initiatives, and other general and administrative expenses. Certain of the Corporation's exploration expenditures are seasonal and, to that end, the Corporation incurs higher than typical expenditures during the winter months as it performs the bulk of its drilling during the winter season.

## **UPDATES DURING THE THREE-MONTH PERIOD AND SUBSEQUENT TO THE PERIOD**

### **Corporate Developments and Acquisitions:**

- On March 6, 2024, O3 Mining announced that it has been honored with the 2024 PDAC Sustainable Development Award. This award, given by the Prospectors & Developers Association of Canada (PDAC), recognizes companies demonstrating an exceptional commitment to sustainable development in the mining industry.
- On March 5, 2024, O3 Mining announced that it has filed a closeout early warning report in respect of its holdings of common shares ("NewOrigin Shares") of NewOrigin Gold Corp. ("NewOrigin"). On March 5, 2024, O3 Mining by way of a series of trades through the facilities of the TSX Venture Exchange, disposed of an aggregate of 6,600,000 NewOrigin Shares, representing approximately 11.6% of the issued and outstanding NewOrigin Shares, for aggregate gross proceeds of \$74,910 (or \$0.01135 per NewOrigin Share) (the "Disposition").
- On February 21, 2024, O3 Mining announced the resignation of Mélissa Desrochers as a Director of O3 Mining to pursue other endeavours. Ms. Desrochers has been a Director of O3 Mining since April 8, 2021.
- On February 15, 2024, O3 Mining announced the resignation of Murray John as a Director of O3 Mining to pursue other endeavours. Mr. John had been the Lead Director of O3 Mining since its formation in 2019.
- On January 31, 2024, O3 Mining announced its year-in-review of 2023 and outlook for 2024, which outlook is focused on essential catalysts for de-risking the Marban Alliance Project, progressing potential strategic synergies, and commencing the Feasibility Study.
- On December 22, 2023, O3 Mining announced the closing of two transactions – with each of NewOrigin Gold Corp. ("NewOrigin") and Globex Mining Enterprises Inc. ("Globex") – which will strengthen O3 Mining's presence in the Casa Berardi trend by consolidating the Kinebik project, as described below.
- On November 28, 2023, Moneta Gold Inc. ("Moneta") announced a merger with Nighthawk Gold Corp, which was subsequently completed on February 6, 2024 by Moneta acquiring all of the issued and outstanding shares of Nighthawk Gold Corp. in exchange for common shares in Moneta. Subsequent to the merger, Moneta was renamed STLLR Gold Inc. ("STLLR"). During the fourth quarter of 2023, the Corporation identified the decline in the share price of Moneta merger as objective evidence of impairment and recorded an impairment of \$32.2 million on its investment in Moneta.
- On November 15, 2023, O3 Mining and Osisko Development Corp. announced the successful formation and capitalization of "Electric Elements Mining Corp." ("Electric Elements") to explore for lithium potential on certain James Bay properties in Eeyou Istchee Area, Nunavik, Québec transferred to Electric Elements by Osisko Development Corp. and O3 Mining (the "Spin-out Transaction"). Pursuant to the Spin-out Transaction, Electric Elements acquired from O3 Mining all of its rights and title to and interest in its Éléonore Opinaca property, in exchange for 2,400,000 common shares of Electric Elements, which at the time was 20% of the common shares outstanding. Subsequent to the spin-out transaction, Electric Elements raised just over \$4 Million from investors, taking O3 Mining's interest to 13% of the company.
- On November 9, 2023, O3 Mining announced that it had received recognition for its exemplary sustainable development practices. On November 1, 2023, the Association d'Exploration Minière du Québec awarded the Corporation with the 2023 prize for Excellence in Sustainable Development. Additionally, the Prospectors & Developers Association of Canada ("PDAC") has announced that O3 Mining will receive the 2024 PDAC Sustainable Development Award. These prestigious awards at both the Canadian and provincial levels are testaments to our commitment and dedication to continuously improve our practices, foster collaborative partnerships, and shape the responsible future of exploration and mining.
- On October 20, 2023, O3 Mining announced that the TSX Venture Exchange accepted the Corporation's notice to renew and implement a normal course issuer bid ("NCIB") to purchase, for cancellation, up to 5,367,189 common shares of the Corporation ("Common Shares"), representing approximately 10% of the Corporation's "public float". The Corporation has engaged CIBC World Markets Inc. to act as its agent to conduct the NCIB transactions.

## **Financings:**

- On January 5, 2024, O3 Mining announced that, effective March 31, 2023 and December 31, 2023, it granted to certain directors of the Corporation deferred share units of the Corporation ("DSUs") in satisfaction of certain director fees that have been settled in DSUs *in lieu* of cash for the second and third quarters of 2023, respectively. Directors of the Corporation may elect, from time to time, to receive all or a portion of their director fees in the form of cash or DSUs. Any fees that are settled in DSUs are settled on a quarterly basis.
- On December 19, 2023, O3 Mining announced that in accordance with the terms of the senior unsecured convertible debenture issued on June 19, 2023 (the "Debenture"), it has elected to issue 150,721 Common Shares at a price of \$1.66 per Common Share as payment for, and for the satisfaction of, \$250,000, representing 50% of the total interest due and payable by the Corporation in respect of the December 19, 2023 interest payment on the Debenture.
- On December 15, 2023, O3 Mining announced that effective December 15, 2023, it granted to certain officers, directors and/or employees of the Corporation (i) an aggregate of 910,000 restricted share units of the Corporation ("RSUs"), and (ii) an aggregate of 330,000 DSUs. The RSUs and DSUs will vest in accordance with the Corporation's RSU & DSU plans.
- On December 12, 2023, O3 Mining announced the closing of a non-brokered private placement (the "Offering") of 11,394,487 Common Share for aggregate gross proceeds of \$18,559,639. The Offering was comprised of four tranches, as follows:
  - Common Shares: 3,726,678 Common Shares (the "Hard Dollar Shares") at a price of \$1.44 per Hard Dollar Share for gross proceeds of \$5,366,416;
  - Tranche 1 Flow-Through Shares: 5,787,254 Common Shares that qualify as "flow-through shares" (within the meaning of subsection 66(15) of the *Income Tax Act* (Canada)) (the "Tranche 1 FT Shares") at a price of \$1.63 per Tranche 1 FT Share for gross proceeds of \$9,433,224;
  - Tranche 2 Flow-Through Shares: 1,255,555 Common Shares that qualify as "flow-through shares" (within the meaning of subsection 66(15) of the *Income Tax Act* (Canada) and section 359.1 of the *Taxation Act* (Québec)) (the "Tranche 2 FT Shares") at a price of \$1.80 per Tranche 2 FT Share for gross proceeds of \$2,259,999; and
  - Tranche 3 Flow-Through Shares: 625,000 Common Shares that qualify as "flow-through shares" (within the meaning of subsection 66(15) of the *Income Tax Act* (Canada) and section 359.1 of the *Taxation Act* (Québec)) (the "Tranche 3 FT Shares") at a price of \$2.40 per Tranche 3 FT Share for gross proceeds of \$1,500,000.

## **Exploration and Project Developments:**

### **Exploration Update**

In the past three months, the Corporation executed drilling activities on its Marban Alliance, and Horizon properties, with a specific focus on the Norlartic Extension deposit located just north of the main Marban pit. Contemplated exploration for 2024 consists of in-fill drilling on the Malartic H deposit, along with follow-up drill testing on historical auriferous drill intercepts associated with the Parfouru fault and adjacent Timiskaming sediments in the south western part of the Horizon property and also on identified volcanogenic massive sulfide ("VMS") targets on the Corporation's Horizon project, along with other activities on its other properties, if it has sufficient resources and if it deems such activities are in the best interest of the Corporation and its shareholders.

### **Marban Alliance – Developments and Progress**

The Marban Alliance Project is in the heart of the Malartic gold mining camp, covering 2,189 hectares and located 12 kilometres from the Canadian Malartic Mine, which is now 100% owned by Agnico Eagle Mines Limited, following the completion of the acquisition of Yamana Gold Inc. on March 31, 2023.

The Corporation's previous focus on this project has been completing the Marban Alliance FS by the end of the first quarter of 2024. The Marban Alliance FS is defined by and consists of the mineral resource estimates of Marban open-pit and underground, as well as the Kierens-Nolartic open-pit and underground resources. The work required to complete the Marban

Alliance FS includes continuing the Corporation's mining, metallurgy test work, geotechnical drilling, test-pit campaign and optimization trade-off studies.

With the publication of the recent inferred mineral resource at Malartic H, the Corporation is now reviewing various options, which may include the addition of the Malartic H resource to the Feasibility Study, along with other optimizations that could include equipment, sequencing, and alternative processing scenarios. To potentially include the Malartic H resource, the Corporation has decided to undertake a 28,000 metre in-fill drilling campaign this winter in an effort to convert the resource to the measured or indicated resource category (each within the meaning of NI 43-101). The Corporation anticipates that this work should be completed by the first half of 2024, which will allow it to begin an optimized Feasibility Study. The majority of the work done to date on the Feasibility Study will likely be included in the optimized Feasibility Study scenario and should allow for relatively streamlined completion once commenced.

During the year ended December 31, 2023, the Corporation completed 86 drill holes totaling 19,153 metres of drilling on the Marban Alliance Project. The objectives were initial in-fill drilling at Malartic H to reach an inferred resource and follow-up and expansion of previous significant intercepts at Malartic W, Camflo, Hygrade Fold, Orion and North North zones.

	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Annual Total
<b>Holes</b>	45	8	16	17	86
<b>Metres</b>	11,532	1,407	3,436	2,778	19,153

The Marban PFS contains recommended future work on the Marban Alliance Project to advance and assess the project with the purpose of progressing toward the Marban Alliance FS following such work. Set forth below is an update on the status of the recommended work in the Marban PFS. At the time of this MD&A, the recommended work in the Marban PFS is approximately 91% completed.

Area	Estimated Cost (Millions)	Work Completed (%)	Status as at December 31, 2023
Drilling (Phase 1)	\$6.4	100%	Recommendation for 30,000 metres of drilling. Drilling was completed in 2022, with 36,000 metres drilled at an approximate cost of \$9 million.
Drilling (Phase 2)	\$3.2	100%	Recommendation for 15,000 metres of drilling. Drilling was completed in 2022, with 19,250 metres drilled at an approximate cost of \$4.8 million.
Sampling/QA/QC	\$0.0	100%	Completed.
Mining	\$0.9	20%	Work in progress. The balance of the work will be executed within the Feasibility Study once the scope is finalized.
Open Pit	\$0.8	100%	Completed.
Geotechnical	\$0.2	100%	Completed.
Metallurgy	\$0.2	100%	Completed.
Hydrological	\$0.2	0%	This work is to be completed by an external consultant once the scope of the Feasibility Study is defined.
Geochemistry and Water Management	Included in Environmental	NA	See "Environmental" row below.
Geotechnical	\$0.5	100%	Recommended work completed.
Tailings	\$0.3	0%	This work is to be completed by an external consultant pending a review of processing options.
Environmental	\$1.8	95%	Awaiting final geochemistry reports.
<b>Total</b>	<b>\$14.3</b>	<b>91%</b>	

\*The table above should be read with reference to Table 26-1 in the Marban PFS.

As of the date of this MD&A, the Corporation has: filed the initial project description with the federal authorities; commenced metallurgy variability test work; consulted with First Nation communities and various stakeholders, including citizens, host communities, and municipal, provincial and federal representatives; and completed the consultant selection required for the Marban Alliance FS.

As noted in the table above, the total estimated cost of the work to inform the Marban Alliance FS, according to the recommendations of the Marban PFS, is approximately \$14.3 million. These recommendations and costs are only estimates and are subject to change based on initial drilling results and unit costs per metre. As detailed above, the number of metres drilled was higher than the recommendation of the Marban PFS (55,250 metres actual versus 45,000 recommended), with slightly higher unit costs of (\$250 per metre actual versus \$213 per metre recommended). As of December 31, 2023, 91% of the recommended work has been executed. The total cost of this work was approximately \$16.8 million, which was \$4.2 million higher than the \$12.6 million estimated in the PFS, due to the drilling and unit costs previously mentioned. Beyond the work completed to date, there is a remaining \$1.3 million required and recommended to inform the Marban Alliance FS, as previously defined, and prior to the consideration of the recent resource at Malartic H.

In addition to the above-noted work, an additional approximately \$1.1 million will be required to commission the preparation of the Marban Alliance FS through an independent consultant, taking the total remaining expenditure to complete the Marban Alliance FS to approximately \$2.4 million. Costs for the Feasibility Study will be further defined based on the results of the previously described optimization studies, which have concluded and are currently under review.

As referenced earlier, within the Marban Alliance Property, the Corporation completed approximately 19,000 meters of drilling in 2023, which is outside and beyond the recommended work outlined in the Marban PFS. The purpose of this work was to potentially improve future economics of the Marban Alliance Project and to identify and target other areas that are not currently included in the project but that may show the potential to increase the life of the mine if they were to be included in future economic studies. This work is not required to complete the Marban Alliance FS as currently defined. However, management anticipates that this work could help demonstrate further value in the Marban Alliance Project.

See "Technical Information – Summary of Mineral Resources" below.

#### **j) Drilling Highlights at Marban Alliance:**

During year ended December 31, 2023, O3 Mining provided several results from the ongoing drilling program. Drill highlights at Marban Alliance Project have included the following:

- 33.3 g/t Au over 3.4 metres in hole O3MA-23-507 at a vertical depth of 138 metres, including 218.0 g/t over 0.5 metres on Zone 341. Zone 341 now intersects high-grade intervals within four O3 Mining drill holes and remains open at depth.
- 10.8 g/t Au over 2.2 metres in hole O3MA-23-494 at a vertical depth of 277 metres, including 31.6 g/t over 0.7 metres on Orion 10. Orion 10 remains open for 300 metres along plunge.
- 4.0 g/t Au over 36.5 metres in hole O3MA-23-485 at a vertical depth of 66 metres, including 231.0 g/t over 0.5 metre and 1.2 g/t over 14.4 metres, from the Malartic H deposit.
- 2.8 g/t Au over 16.9 metres in hole O3MA-22-471 at a vertical depth of 182 metres, from the Malartic H deposit.
- 7.2 g/t Au over 4.5 metres in hole O3MA-22-476 at a vertical depth of 219 metres, from the Malartic H deposit.
- 5.9 g/t Au over 10.1 metres in hole O3MA-23-463 at a vertical depth of 122 metres, from the Malartic H deposit.
- 2.6 g/t Au over 6.9 metres in hole O3MA-22-474 at a vertical depth of 98 metres, from the Malartic H deposit.
- 3.5 g/t Au over 7.5 metres in hole O3MA-22-477 at a vertical depth of 247 metres, from the Malartic H deposit.
- 3.7 g/t Au over 11.0 metres in hole O3MA-22-334 from 166.0 metres, 140 metres to the north-west of one of the possible satellite pits identified in the Marban PFS.

- 7.9 g/t Au over 3.2 metres in hole O3MA-22-423 from 39.1 metres, 400 metres to the east-south-east of one of the possible satellite pits identified in the Marban PFS.
- 1.5 g/t Au over 44.3 metres in hole O3MA-22-356 starting at 257.4 meters in the hole in the Norlartic pit shell identified in the Marban PFS.
- 1.6 g/t Au over 27.0 metres in hole O3MA-22-385 starting at 356.4 meters in the hole at the bottom of the Norlartic pit shell identified in the Marban PFS.
- 2.1 g/t Au over 84.5 metres (true width of approx. 19 metres) in hole O3MA-22-335 starting at 17.6 meters in the hole near surface and at the eastern limit of the Norlartic pit shell identified in the Marban PFS.

The full set of drill results are available in the Corporation's public disclosure record, which is available electronically on SEDAR+ ([www.sedarplus.ca](http://www.sedarplus.ca)) under O3 Mining's issuer profile and on O3 Mining's corporate website ([www.o3mining.com](http://www.o3mining.com)).

### **ii) Metallurgical Test Work at Marban Alliance:**

During the year ended December 31, 2023, O3 Mining announced the completion of the metallurgical test work for the Marban, Norlartic and Kierens deposits in connection with the preparation of a Feasibility Study for the Marban Alliance Project, located in Val-d'Or, Québec.

Highlights include:

- O3 Mining completed two metallurgical testing programs at Base Metallurgical Laboratories Ltd. and SGS Canada Inc. Lakefield laboratories.
- Grinding, gravity, leaching, cyanide detox and liquid-solid separation variability testwork are required for a feasibility study and have been completed for each of the Marban, Norlartic and Kierens deposits.
- These results, together with the results of previous testwork programs, will be used in connection with the proposed Feasibility Study to determine the anticipated project recovery once the process flowsheet is selected (either stand-alone or toll-mill).

See "Technical Information – Summary of Mineral Resources" below.

### **Horizon – Advanced Exploration**

The Horizon project is located approximately 2 kilometres north-east of the town of Malartic, Québec, and approximately 4 kilometres north of Agnico Eagle Mines Limited's Canadian Malartic Mine. The sector covers 8,778 hectares and includes 16 kilometres of the north-western extension of the Marbenite and Norbenite shears that host most of the mineralization of the Marban Alliance sector. It contains numerous gold occurrences at the early exploration stage and the north of the project contains a felsic volcanic architecture that is prospective of base metal and gold.

During the year ended December 31, 2023, the Corporation completed 23 drill holes totaling approximately 8,874 metres of drilling on Horizon. The drilling was completed to test regional targets along the western extension of the Marbenite and Norbenite shears and to find new polymetallic occurrences from VMS targets generated with the 2023 induced polarization survey in the northern part the property.

Within the Horizon property, the Corporation completed approximately 888 metres of drilling in the quarter, beyond the metres already completed in 2023. The purpose of the drilling campaign was to find new gold occurrences targeting gold and arsenic in soil anomalies from the summer 2022 soil samples campaign.

	<b>Q1 2023</b>	<b>Q2 2023</b>	<b>Q3 2023</b>	<b>Q4 2023</b>	<b>Annual Total</b>
<b>Holes</b>	18	0	2	3	23
<b>Metres</b>	6,906	0	1,080	888	8,874

The work program at Horizon for 2024 considers 3,000+ metres of drilling on Horizon SW / Ludovick sector where historical auriferous drill intercepts warrant follow-up along a 2.5 kilometre-long segment of the Parfouru Fault corridor. Additionally, follow-up on the two inaugural drill holes that led to a discovery of a VMS environment on the Horizon property is planned, including drilling at eight other induced polarization anomalies that have been identified within the 14 kilometre-long volcanic sequence. The selected targets will be drill tested at a 400-metre spacing at vertical depth of 300 metres and pulse electromagnetic surveys will be completed in each hole to be able to rapidly cover the horizons and discover VMS mineralization.

#### **i) Drilling Highlights at Horizon:**

During the year ended December 31, 2023, O3 Mining provided initial results from its prospective VMS belt within the Horizon project:

- Hole O3HR-23-001 intercepted a laminated sulphide-rich siliceous tuff containing highly anomalous base and precious metal values of up to 0.24% Cu, 0.15% Zn, 0.1 g/t Au, and 1.4 g/t Ag over 1.4 metres from 356.0 metres.
- These anomalous values are well within the range of values encountered in VMS related exhalative horizons in other prolific belts of Abitibi like the C Contact at Noranda and the Key Tuffite at Matagami.
- The exhalative horizon in O3HR-23-001 is located along a 2.5 kilometre-long chargeability induced polarization and magnetic anomaly contained within a bimodal (mafic-felsic) volcanic sequence reaching 14 kilometres in length and interpreted to be equivalent to the Louvicourt Group, which hosts the Louvicourt VMS deposit in the Val-d'Or district (14Mt at 3.5% Cu, 1.5% Zn, 25.9 g/t Ag and 0.9 g/t Au).
- Eight other IP anomalies have been obtained within the 14 km long volcanic sequence, all of which remain to be tested.

#### **Alpha – Advanced Exploration**

The Alpha property is located 8 kilometres east of Val-d'Or, Québec, and 3 kilometres south of Eldorado Gold Corporation's Lamaque Mine. The property covers more than 7,754 hectares and includes 20 kilometres of the prolific Cadillac Break. The Alpha property consists of the Bulldog, Orenada, Akasaba and Simkar gold deposits. None of the deposits forming part of the Alpha property is considered a mineral project on a property material to the Corporation for the purpose of NI 43-101. O3 Mining has an option agreement with QMX Gold Corporation (which was acquired by Eldorado Gold Corporation) that grants O3 Mining the right to acquire 100% interest in the Aurbel Mill located only 10 kilometres from the Alpha property for \$5.0 million by April 2026.

Drilling at Alpha is at an earlier stage relative to Marban Alliance and has focused on grassroots exploration, deposit delineation, and resource expansion. In the quarter, the Corporation did not undertake any drilling activities on the property, however the course of the year it completed approximately 2,000 metres.

#### **i) Drilling Highlights at Alpha:**

During the year ended December 31, 2023, O3 Mining did not publish any results from its drilling program on its Alpha property.

#### **ii) Metallurgical Test Work at Alpha:**

During the year ended December 31, 2023, O3 Mining provided results from the metallurgical testing program from the Bulldog and Kappa deposits at its Alpha property. Highlights from this work have included the following:

- Overall gold extraction at the Bulldog and Kappa deposits reached 94.5% and 92.0% recovery after 24 hours of cyanide leaching.
- Bulldog gold recovery reaches 93.3% after only six hours of leaching time.
- Average bond ball mill work index for Bulldog and Kappa at 14.4 kWh/t and 15.0 kWh/t.

See "Technical Information – Summary of Mineral Resources" below.

## EXPLORATION AND EVALUATION ASSETS EXPENDITURES

The Corporation's expenditures on exploration and evaluation assets for the year ended December 31, 2023 were as follows (in thousands of Canadian dollars):

	December 31, 2022	Acquisitions	Additions	Disposals	Impairment losses	December 31, 2023
Kan - James Bay	\$ 248	\$ -	\$ 40	\$ -	\$ -	\$ 288
Éléonore Opinaca	1,026	-	115	(1,141)	-	-
Launay	1,013	-	612	-	-	1,625
Peacock	8	-	892	-	-	900
Matachewan - Wydee	260	-	663	-	-	923
Marban Alliance	111,192	-	11,973	-	-	123,165
Horizon	-	-	5,014	-	-	5,014
Alpha	68,283	-	1,397	-	-	69,680
Kinebik	-	2,252	101	-	-	2,353
Harricana	1,667	-	66	-	-	1,733
<b>Total exploration and evaluation assets</b>	<b>\$ 183,697</b>	<b>\$ 2,252</b>	<b>\$ 20,873</b>	<b>\$ (1,141)</b>	<b>\$ -</b>	<b>\$ 205,681</b>

Significant additions during the year ended December 31, 2023, are described by category in the following table (in thousands of Canadian dollars):

For the year ended December 31, 2023	Kan -		Éléonore		Launay		Peacock		Matachewan -		Marban		Horizon	Alpha	Kinebik	Harricana	Total
	James Bay	Opinaca	Launay	Peacock	Wydee	Alliance											
Property costs	\$ 15	\$ 19	\$ 21	\$ 32	\$ 83	\$ 5	\$ -	\$ 11	\$ 19	\$ 18	\$ 18	\$ 223					
Project management	18	16	92	157	147	1,241	811	235	18	19	2,754						
Drilling	4	37	196	279	186	6,779	3,168	848	4	16	11,517						
Geochemical survey	-	-	101	200	25	63	246	-	-	-	635						
Geophysical survey	-	-	-	-	3	6	213	36	57	-	315						
Geology	-	36	181	186	180	937	344	129	-	12	2,005						
Feasibility study	-	-	-	-	-	2,598	-	20	-	-	2,618						
Community relations	2	-	2	2	11	916	111	11	2	2	1,059						
Environmental	-	3	14	25	22	266	71	140	-	-	541						
Health and safety	1	4	6	11	6	73	50	13	1	2	167						
Quebec exploration mining duties claimed	-	-	(1)	-	-	(911)	-	(46)	-	(3)	(961)						
<b>Total additions</b>	<b>\$ 40</b>	<b>\$ 115</b>	<b>\$ 612</b>	<b>\$ 892</b>	<b>\$ 663</b>	<b>\$ 11,973</b>	<b>\$ 5,014</b>	<b>\$ 1,397</b>	<b>\$ 101</b>	<b>\$ 66</b>	<b>\$ 20,873</b>						

## INVESTMENTS

The Corporation's assets included a portfolio of investments in public and private companies as at December 31, 2023. The Corporation holds investments in various companies within the mining industry for investment and strategic purposes. In some cases, the Corporation may decide to take a more active role in the investee, including providing management personnel, and technical and administrative support, as well as nominating individuals to the investee's board of directors.

### Marketable Securities

The following table summarizes information regarding the Corporation's marketable securities as at December 31, 2023 and December 31, 2022 (in thousands of Canadian dollars):

As at	December 31, 2023	December 31, 2022
<b>Balance, beginning of year</b>	<b>\$ 7,830</b>	<b>\$ 11,915</b>
Additions	82	237
Disposals	(2,138)	(11,836)
Share consideration from disposition of exploration and evaluation assets	1,200	7,612
Realized gain/(loss)	239	(1,532)
Unrealized (loss)/gain	(312)	1,434
<b>Balance, end of year</b>	<b>\$ 6,901</b>	<b>\$ 7,830</b>

During the year ended December 31, 2023, the marketable securities were measured at fair value, and this resulted in an unrealized loss of \$312,000 (2022 – gain of \$1.4 million). The Corporation sold shares during the year ended December 31, 2023, which resulted in a realized gain of \$239,000 (2022 – loss of \$1.5 million).

On October 19, 2023, the Corporation entered into a transfer agreement with Osisko Development Corp. and Electric Elements Mining Corp. ("Electric Elements"), pursuant to which, among other things, the Corporation transferred its Éléonore Opinaca Property in exchange for 2,400,000 common shares of Electric Elements. Consideration for the sale of the Éléonore Opinaca Property was measured at fair value of \$1,200,000. At the year ended December 31, 2023, and following a seed funding round by Electric Elements, the corporation owned approximately 12% of the common shares outstanding. O3 Mining has no appointment or directorship rights of Electric Elements.

## RESULTS OF OPERATIONS

The following table summarizes the Corporation's Statements of Loss and Comprehensive Loss for the three and twelve-month periods ended December 31, 2023 and 2022 (in thousands of Canadian dollars):

	Three months ended		Year ended	
	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
<b>Expenses/(income)</b>				
Compensation expenses	\$ 2,034	\$ 1,656	\$ 4,491	\$ 4,396
General and administration expenses	974	993	3,022	3,438
General exploration expenses	-	5	2	79
Loss on impairment of exploration and evaluation assets	-	-	-	7,893
Flow-through premium income	(875)	(1,810)	(5,226)	(9,747)
(Gain)/loss from marketable securities	(21)	706	73	98
Gain on disposal of property, plant and equipment	-	-	(2)	-
Gain on disposition of exploration and evaluation assets	(59)	-	(59)	(4,246)
Share of loss/(gain) of associate	208	307	34	(509)
Loss on impairment of investments	32,173	-	32,174	-
<b>Loss before finance items and income tax</b>	<b>34,434</b>	<b>1,857</b>	<b>34,509</b>	<b>1,402</b>
Finance income	(152)	(226)	(690)	(391)
Finance costs	537	80	1,040	386
<b>Net finance loss/(income)</b>	<b>385</b>	<b>(146)</b>	<b>350</b>	<b>(5)</b>
<b>Loss before tax</b>	<b>34,819</b>	<b>1,711</b>	<b>34,859</b>	<b>1,397</b>
Deferred income tax (recovery)/expense	(3,412)	604	(878)	5,611
Current income tax expense	-	-	130	-
<b>Loss and comprehensive loss</b>	<b>\$ 31,407</b>	<b>\$ 2,315</b>	<b>\$ 34,111</b>	<b>\$ 7,008</b>

### Three-Month Period Ended December 31, 2023 as Compared to Three-Month Period Ended December 31, 2022

Loss and comprehensive loss increased by \$29.1 million from a loss of \$2.3 million for the three-month period ended December 31, 2022, to a loss of \$31.4 million for the three-month period ended December 31, 2023. The increase is mainly as a result of the loss on impairment of the investment in STLLR (formerly Moneta) of \$32.2 million, an increase in compensation expenses of \$378,000, a decrease in flow-through premium income of \$935,000 (non-cash income), and an increase in finance costs of \$531,000. This was offset by a decrease in marketable securities loss of \$727,000, and a decrease in deferred income tax expense of \$4.0 million (non-cash expense) for the three-month period ended December 31, 2023.

Compensation expenses increased by \$378,000 to \$2.0 million for the three-month period ended December 31, 2023, compared to \$1.7 million for the same period in 2022. The increase was mostly due to an increase in salaries and benefits.

General and administrative expenses decreased by \$19,000 to \$974,000 for the three-month period ended December 31, 2023, compared with \$993,000 for the same period in 2022. The decrease relates mainly to a decrease of shareholder and regulatory expenses of \$98,000 offset by an increase in professional fees of \$72,000, and an increase in office expense of \$47,000, for the three-month period ended December 31, 2023.

Flow-through premium income was \$875,000 million for the three-month period ended December 31, 2023, compared to \$1.8 million for the same period in 2022. This is a result of decreased drilling activities in the period. This income was derived from flow-through offerings, combined with the amount of "Canadian exploration expenditures" that were spent during the period. On the issuance of flow-through shares, a flow-through share premium liability is recognized. Upon the Corporation incurring flow-through eligible expenditures, the Corporation recognizes flow-through premium income and decreases the flow-through premium liability.

During the three-month period ended December 31, 2023, the Corporation maintained a portfolio of securities that were strategically invested in the marketable securities of exploration and development companies. The Corporation recognized an unrealized gain of \$21,000 in the period. The unrealized gain was a result of the Corporation marking to market its investments at period end. The Corporation had a fair market value of \$6.9 million in marketable securities as at December 31, 2023, compared to \$7.8 million as at December 31, 2022.

Period to period discussions between December 31, 2022, and December 31, 2021, can be found in the Corporation's 2022 Q4 MD&A.

### **Year Ended December 31, 2023 as Compared to Year Ended December 31, 2022**

Loss and comprehensive loss increased by \$27.1 million from a loss of \$7.0 million for the year ended December 31, 2022 to a loss of \$37.5 million for the year ended December 31, 2023. The increase is mainly as a result of the loss on impairment of the investment in STLLR of \$32.2 million, a decrease in flow-through premium income of \$4.5 million (non-cash income), a decrease in the gain on disposition of exploration and evaluation assets of \$4.2 million and a decrease in the gain of associate of \$543,000 (non-cash income). This was offset by a decrease in general and administrative expenses of \$416,000, a decrease in the loss on impairment of exploration assets of \$7.9 million (non-cash expense) and a decrease in the deferred income tax expense of \$6.5 million (non-cash expense) for the year ended December 31, 2023.

Compensation expenses increased by \$95,000 to \$4.5 million for the year ended December 31, 2023, compared with \$4.4 million for the same period in 2022. The increase was due to an increase in salaries and benefits of \$521,000, offset by a decrease in stock-based compensation of \$426,000 as a result of a decrease in the share price during the year.

General and administrative expenses decreased by \$416,000 to \$3.0 million for the year ended December 31, 2023, compared to \$3.4 million for the same period in 2022. The decrease relates to a decrease in shareholder and regulatory expenses of \$258,000 and a decrease in professional fees of \$250,000. This was offset by an increase in office expenses of \$131,000.

Flow-through premium income was \$5.2 million for the year ended December 31, 2023, compared to \$9.7 million for the same period in 2022. This is a result of a decrease in drilling activities in the period. This income was derived from the flow-through offerings, combined with the amount of "Canadian exploration expenditures" that were spent during the period. On the issuance of flow-through shares, a flow-through share premium liability is recognized. Upon the Corporation incurring flow-through eligible expenditures, the Corporation recognizes flow-through premium income and decreases the flow-through premium liability.

During 2023, the Corporation recorded an impairment of its investment in Moneta. The recoverable amount of the investment was measured as \$18.7 million based on the closing price for Moneta's common shares on December 31, 2023. The impairment charge recorded in the consolidated statement of loss was \$32.2 million.

During the year ended December 31, 2023, the Corporation maintained a portfolio of securities that were strategically invested in the marketable securities of exploration and development companies. As a result, the Corporation recognized an unrealized loss of \$312,000 in the period. The unrealized loss was a result of the Corporation marking to market its investments at period end. The Corporation also recognized a realized gain of \$239,000 in the period on the disposition of marketable securities. The Corporation had a fair market value of \$6.9 million in marketable securities as at December 31, 2023, compared to \$7.8 million as at December 31, 2022.

### **Cash Flow**

The Corporation is dependent upon raising funds in order to fund future exploration programs. See "*Liquidity and Capital Resources*" and "*Risks and Uncertainties*".

## Operating Activities

Cash used in operating activities for the year ended December 31, 2023, totaled \$2.7 million, compared to \$7.4 million for the same period in 2022. The decrease in outflows is primarily attributable to inflows from working capital of \$3.5 million for the period ended December 31, 2023, compared to outflows from working capital of \$0.9 million for the same period in 2022, as well as a cash loss of \$6.3 million for the year ended December 31, 2023 compared to \$6.5 million for the same period in 2022.

## Investing Activities

Cash used in investing activities for the year ended December 31, 2023, totaled \$19.4 million, compared with \$16.9 million for the same period in 2022. This outflow is primarily attributable to exploration and evaluation expenditures of \$20 million, and acquisition of property, plant and equipment of \$2.0 million in the year ended December 31, 2023. This was partially offset by proceeds of \$2.1 million from disposition of marketable securities and \$0.7 million of interest income received.

## Financing Activities

Cash from financing activities for the year ended December 31, 2023, totaled \$26.9 million compared with \$15.9 million for the same period in 2022. The inflow of cash is mainly a result of a private placement of \$17.9 million net of transactions costs, and the issue of convertible debt of \$10 million offset by net cash of \$335,000 used in repurchasing shares under the normal course issuer bid, and the repayment of lease liabilities of \$385,000.

In management's view, the Corporation has sufficient financial resources to fund current planned exploration programs and ongoing operating expenses. As at December 31, 2023, the Corporation had a cash balance of \$23.5 million, compared to \$18.7 million as at December 31, 2022. The Corporation will continue to be dependent on raising equity or other capital as required unless and until it reaches the production stage and generates cash flow from operations. See "Risks and Uncertainties" and "Cautionary Note Regarding Forward-Looking Information".

## SUMMARY OF QUARTERLY RESULTS

(in thousands of Canadian dollars, except per share and share amounts)

<i>For the period ended</i>	<b>December 31, 2023</b>	<b>September 30, 2023</b>	<b>June 30, 2023</b>	<b>March 31, 2023</b>
<b>Financial results:</b>				
Interest income	\$ 152	\$ 192	\$ 133	\$ 212
Loss/(income)	\$ 31,407	\$ 1,909	\$ 1,679	\$ (884)
<b>Loss/(earnings) per share*:</b>				
Basic	\$ 0.41	\$ 0.03	\$ 0.02	\$ (0.01)
Diluted	\$ 0.41	\$ 0.03	\$ 0.02	\$ (0.01)
<b>Financial position:</b>				
Working capital (non-IFRS measurement)**	\$ 26,223	\$ 16,161	\$ 22,282	\$ 17,663
Exploration and evaluation assets	\$ 205,681	\$ 198,153	\$ 193,669	\$ 190,743
Total assets	\$ 261,887	\$ 275,172	\$ 275,966	\$ 269,923
Share capital	\$ 231,800	\$ 213,749	\$ 213,763	\$ 213,876
Retained earnings	\$ (26,569)	\$ 4,840	\$ 6,748	\$ 8,426
Number of shares issued and outstanding	87,293,655	74,654,336	74,654,336	74,624,869

(in thousands of Canadian dollars, except per share and share amounts)

<i>For the period ended</i>	December 31, 2022	September 30, 2022	June 30, 2022	March 31, 2022
<b>Financial results:</b>				
Interest income	\$ 226	\$ 61	\$ 53	\$ 51
Loss	\$ 80	\$ 366	\$ 1,427	\$ 2,899
<b>Loss per share*:</b>				
Basic	\$ 0.03	\$ 0.01	\$ 0.02	\$ 0.04
Diluted	\$ 0.03	\$ 0.01	\$ 0.02	\$ 0.04
<b>Financial position:</b>				
Working capital (non-IFRS measurement)**	\$ 26,093	\$ 34,341	\$ 27,201	\$ 37,882
Exploration and evaluation assets	\$ 183,697	\$ 178,002	\$ 170,011	\$ 160,950
Total assets	\$ 269,535	\$ 273,174	\$ 258,276	\$ 258,792
Share capital	\$ 214,211	\$ 214,580	\$ 205,400	\$ 204,682
Retained earnings	\$ 7,542	\$ 9,857	\$ 10,224	\$ 11,651
Number of shares issued and outstanding	74,834,969	75,017,269	68,485,439	68,160,439

(in thousands of Canadian dollars, except per share and share amounts)

<i>For the period ended</i>	December 31, 2021	September 30, 2021	June 30, 2021	March 31, 2021
<b>Financial results:</b>				
Interest income	\$ 75	\$ 67	\$ 107	\$ 87
Loss/(income)	\$ 5,727	\$ 1,591	\$ 163	\$ (27,890)
<b>Loss/(earnings) per share*:</b>				
Basic	\$ 0.08	\$ 0.02	\$ -	\$ (0.44)
Diluted	\$ 0.08	\$ 0.02	\$ -	\$ (0.44)
<b>Financial position:</b>				
Working capital (non-IFRS measurement)**	\$ 36,752	\$ 46,928	\$ 62,615	\$ 74,303
Exploration and evaluation assets	\$ 165,921	\$ 158,396	\$ 146,380	\$ 136,941
Total assets	\$ 261,989	\$ 267,764	\$ 267,923	\$ 270,275
Share capital	\$ 204,682	\$ 202,256	\$ 202,206	\$ 202,221
Retained earnings/(Deficit)	\$ 14,550	\$ 20,278	\$ 21,869	\$ 22,031
Number of shares issued and outstanding	68,160,439	68,061,869	68,040,266	68,040,266

\* Basic and diluted loss/(earnings) per share is calculated based on the weighted-average number of Common Shares outstanding.

\*\* Working capital is a non-IFRS measurement with no standardized meaning under IFRS. For further information and a detailed reconciliation, please see section "Non-IFRS Measure".

## **LIQUIDITY AND CAPITAL RESOURCES**

As at December 31, 2023, the Corporation had a cash balance of \$23.5 million (December 31, 2022 – \$18.7 million) and working capital of \$26.2 million (December 31, 2022 – \$26.1 million). Cash increased from December 31, 2022, mainly due to proceeds from private placement and the issuance of convertible debt in the year ended December 31, 2023. With the exception of the convertible debenture, the majority of the Corporation's financial liabilities have contractual maturities of less than 30 days and are subject to normal trade terms.

The Corporation has no history of revenues from its operating activities. The Corporation is not in commercial production on any of its mineral properties and accordingly does not generate cash from operations. During the year ended December 31, 2023, the Corporation had negative cash flow from operating activities, and the Corporation anticipates it will have negative cash flow from operating activities in future periods.

The Corporation has, in the past, financed its activities by raising capital through equity issuances. Until O3 Mining can generate a positive cash flow, in order to finance its exploration programs, the Corporation will remain reliant on the equity markets for raising capital, in addition to adjusting spending, disposing of assets, and obtaining other non-equity sources of financing.

The Corporation believes it has sufficient cash resources and the ability to raise funds to meet its exploration and administrative overhead expenses and maintain its planned exploration activities for the next 12 months. However, there is no guarantee that the Corporation will be able to maintain sufficient working capital in the future due to market, economic and commodity price fluctuations. See "*Risks and Uncertainties*".

### **CONTRACTUAL OBLIGATIONS AND COMMITMENTS**

The Corporation has the following commitments as at December 31, 2023 (in thousands of Canadian dollars):

	Total	2024	2025	2026
Equipment leases	\$ 144	\$ 80	\$ 44	\$ 20
<b>Total</b>	<b>\$ 144</b>	<b>\$ 80</b>	<b>\$ 44</b>	<b>\$ 20</b>

As at December 31, 2023, the Corporation has the following flow-through funds to be spent by December 31, 2023 (in thousands of Canadian dollars):

Closing date of financing	Remaining flow-through funds
December 12, 2023	\$ 12,793
<b>Total</b>	<b>\$ 12,793</b>

### **OFF-BALANCE SHEET ARRANGEMENTS**

The Corporation does not have any off-balance sheet arrangements.

### **TRANSACTIONS WITH RELATED PARTIES**

Balances and transactions between the Corporation and its subsidiaries have been eliminated on consolidation and are not disclosed in this note. Details of the transactions between the Corporation and other related parties are disclosed below.

During the year ended December 31, 2023, management fees, rent and administration fees of \$425,000 (2022 – \$662,000) were incurred with Osisko Mining, a related company of the Corporation by virtue of Osisko Mining having significant influence over the Corporation. Also, Mr. John Burzynski, Chairman of the Board of Directors of O3 Mining, serves as Executive Chairman, CEO, and Director of Osisko Mining and Mr. José Vizquerra, President and CEO of O3 Mining, serves as a Director of Osisko Mining. Accounts payable and accrued liabilities to Osisko Mining as at December 31, 2023 were \$25,000 (2022 - \$57,000). On December 12, 2023, Osisko Mining acquired 2,430,556 Common Shares at a price of \$1.44 per share for gross proceeds of \$3,500,000. On July 22, 2022, O3 Mining announced that it has sold 6,492,200 common shares of Osisko Metals Incorporated to Osisko Mining for gross proceeds of \$2,045,000.

Management and administrative personnel of O3 Mining currently serve as management, and provide services to Electric Elements. In consideration of these services, Electric Elements has agreed to pay a marginal fee to O3 Mining.

The following table summarizes remuneration attributable to key management personnel for the year ended December 31, 2023 and 2022 (in thousands of Canadian dollars):

For the year ended	Year ended	
	December 31, 2023	December 31, 2022
Salaries expense of key management	\$ 1,536	\$ 1,333
Directors' fees	485	519
Stock-based compensation	1,353	925
<b>Total</b>	<b>\$ 3,374</b>	<b>\$ 2,777</b>

## **OUTSTANDING SHARE DATA**

As at March 6, 2024, the Corporation had the following securities outstanding: (i) 87,688,076 Common Shares; (ii) 4,895,000 options to purchase Common Shares at a weighted average exercise price of \$2.73 per option; (iii) 2,115,000 RSUs; (iv) 1,320,518 DSUs and (v) a convertible debenture in an aggregate principal amount of \$10.0 million, which is convertible at the holder's option into 4,878,049 Common Shares at a conversion price of \$2.05 per Common Share, with a fixed interest rate of 10% per annum, half of which is payable in cash and half of which is payable, at the Corporation's election, in either Common Shares or cash, and is subject to customary anti-dilution adjustments. On a fully diluted basis, the Corporation would have 100,896,643 Common Shares issued and outstanding, after giving effect to the exercise of the outstanding options, the settlement of the outstanding RSUs and DSUs, and the conversion in full of the convertible debt of the Corporation.

The following table summarizes the options outstanding and exercisable as at December 31, 2023:

Range of exercise prices per share (\$)	Options outstanding			Options exercisable		
	Weighted-average remaining years of contractual life	Number of stock options outstanding	Weighted average exercise price (\$)	Weighted-average remaining years of contractual life	Number of stock options exercisable	Weighted average exercise price (\$)
1.47 to 2.49	2.7	1,131,666	\$2.04	2.1	524,988	\$2.16
2.50 to 2.79	1.1	1,190,000	\$2.50	1.1	1,190,000	\$2.50
2.80 to 3.19	0.6	1,805,000	\$3.07	0.6	1,805,000	\$3.07
3.20 to 3.26	2.0	780,000	\$3.26	2.0	519,991	\$3.26
<b>1.47 to 3.26</b>	<b>1.4</b>	<b>4,906,666</b>	<b>\$2.73</b>	<b>1.1</b>	<b>4,039,979</b>	<b>\$2.81</b>

The following table summarizes the DSUs and RSUs outstanding as at December 31, 2023:

	Number of DSUs	Number of RSUs
<b>Outstanding at January 1, 2022</b>	<b>186,139</b>	<b>580,000</b>
Granted	695,693	1,255,000
Vested	-	(350,000)
Forfeited	-	(40,000)
<b>Outstanding at December 31, 2022</b>	<b>881,832</b>	<b>1,445,000</b>
Granted	438,686	910,000
Vested	-	(150,000)
<b>Outstanding at December 31, 2023</b>	<b>1,320,518</b>	<b>2,205,000</b>

In August 2019, O3 Mining established a RSU plan and a DSU plan, as amended in June 2023 and June 2022, respectively. Under these plans, RSUs can be granted to executive officers and key employees and DSUs can be granted to non-executive directors, as part of their long-term compensation package, entitling them to receive payout in cash or Common Shares, or a combination of both. Should the payout be in cash, the cash value of the payout would be determined by multiplying the number of RSUs and DSUs vested at the payout date by the five-day volume weighted average price from the closing price of the Common Shares on the day prior to the payout date. Should the payout be in Common Shares, each RSU and DSU represents an entitlement to one Common Share.

## **CRITICAL ACCOUNTING ESTIMATES**

The preparation of the Financial Statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of income and expenses for the reporting period. The Corporation also makes estimates and assumptions concerning the future. The determination of estimates and associated assumptions are based on various assumptions including historical experience and other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. Please refer to the Financial Statements for information on the Corporation's significant judgements in applying accounting policies as well as significant accounting estimates and assumptions.

## **CHANGES IN IFRS ACCOUNTING POLICIES AND FUTURE ACCOUNTING PRONOUNCEMENTS**

Certain pronouncements were issued by the International Accounting Standards Board or the International Financial Reporting Interpretations Committee that apply in accounting periods beginning on or after January 1, 2024. Please refer to the Financial Statements for information on future accounting pronouncements as well as new accounting standards issued and effective.

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## **CORPORATE GOVERNANCE**

Management and the board of directors of the Corporation (the "Board") recognize the value of good corporate governance and the need to adopt best practices. The Corporation is committed to continuing to improve its corporate governance practices in light of its stage of development and evolving best practices and regulatory guidance.

The Board has adopted a board mandate outlining its responsibilities and defining its duties. The Board has four committees: the Audit Committee, the Compensation Committee, the Corporate Governance and Nominating Committee, and the Sustainable Development Committee. Each committee has a committee charter, which outlines the committee's mandate, procedures for calling a meeting, and provides access to outside resources.

The Board has also adopted a code of ethics, which governs the ethical behavior of all employees, management, and directors. Separate trading blackout and disclosure policies are also in place. For more details on the Corporation's corporate governance practices, please refer to O3 Mining's website ([www.o3mining.com](http://www.o3mining.com)) and the Statement of Corporate Governance contained in the Corporation's management information circular dated April 26, 2023.

The Corporation's directors have expertise in exploration, metallurgy, mining, accounting, legal, banking, financing, communication and community engagement and the securities industry. The Board and each committee are scheduled to meet at least four times per year.

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## **INTERNAL CONTROL OVER FINANCIAL REPORTING**

### **Disclosure controls and procedures**

Disclosure controls and procedures are designed to provide reasonable assurance that information required to be disclosed by the Corporation in its annual filings, interim filings or other reports filed or submitted by it under securities legislation is recorded, processed, summarized and reported within the time periods specified in the securities legislation and include controls and procedures designed to ensure that information required to be disclosed by the Corporation in its annual filings, interim filings or other reports filed or submitted under securities legislation is accumulated and communicated to the Corporation's management, including its Chief Executive Officer and Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosure.

### **Internal controls over financial reporting**

Internal controls over financial reporting are designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements in accordance with IFRS. Management is also responsible for the design of the Corporation's internal control over financial reporting in order to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. The Corporation's internal controls over financial reporting include policies and procedures that: pertain to the maintenance of records that, in reasonable detail accurately and fairly reflect the transactions and disposition of assets; provide reasonable assurance that transactions are recorded as necessary to permit preparation of the financial statements in accordance with IFRS and that receipts and expenditures are being made only in accordance with authorization of management and directors of the Corporation; and provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of assets that could have a material effect on the financial statements.

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## **NON-IFRS MEASURES**

The Corporation has included a non-IFRS measure for "working capital" in this MD&A to supplement its financial statements, which are presented in accordance with IFRS. The Corporation believes that this measure provides investors with an improved ability to evaluate the performance of the Corporation. Non-IFRS measures do not have any standardized meaning prescribed under IFRS. Therefore, such measures may not be comparable to similar measures employed by other companies. The data is intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS.

The Corporation determines working capital as follows (in thousands of Canadian dollars):

<i>Reconciliation for the period ended</i>	<b>December 31, 2023</b>	<b>September 30, 2023</b>	<b>June 30, 2023</b>	<b>March 31, 2023</b>
Current assets	\$ 31,749	\$ 20,407	\$ 25,273	\$ 22,837
Less current liabilities	5,526	4,246	2,991	5,174
<b>Working capital</b>	<b>\$ 26,223</b>	<b>\$ 16,161</b>	<b>\$ 22,282</b>	<b>\$ 17,663</b>

<i>Reconciliation for the period ended</i>	<b>December 31, 2022</b>	<b>September 30, 2022</b>	<b>June 30, 2022</b>	<b>March 31, 2022</b>
Current assets	\$ 30,614	\$ 39,558	\$ 32,442	\$ 43,049
Less current liabilities	4,521	5,217	5,241	5,167
<b>Working capital</b>	<b>\$ 26,093</b>	<b>\$ 34,341</b>	<b>\$ 27,201</b>	<b>\$ 37,882</b>

## **RISKS AND UNCERTAINTIES**

The Corporation's business, being the acquisition, exploration, and development of mineral properties in Canada, is speculative and involves a high degree of risk. Certain factors, including but not limited to the ones below, could materially affect the Corporation's **financial condition and/or future operating results**, and could cause actual events to differ materially from those described in forward-looking statements made by or relating to the Corporation. See "*Cautionary Note Regarding Forward-Looking Information*". The reader should carefully consider these risks as well as the information disclosed in the Corporation's financial statements, the Corporation's annual information form dated March [6], 2024 for the year ended December 31, 2023, and other publicly filed documents of the Corporation, which are available electronically on SEDAR+ ([www.sedarplus.ca](http://www.sedarplus.ca)) under the Corporation's issuer profile.

### **Liquidity and Additional Financing**

The Corporation's ability to continue its business operations is dependent on management's ability to secure additional financing. The Corporation's only source of liquidity is its cash and cash equivalent balances. Liquidity requirements are managed based upon forecasted cash flows to ensure that there is sufficient working capital to meet the Corporation's obligations.

The advancement, exploration and development of the Corporation's properties, including continuing exploration and development projects, and, if warranted, construction of mining facilities and the commencement of mining operations, will require substantial additional financing. As a result, the Corporation may be required to seek additional sources of financing in the near future. While the Corporation has been successful in raising such financing in the past, its ability to raise additional financing may be affected by numerous factors beyond its control including, but not limited to, adverse market conditions (including interest and exchange rates), commodity price changes and economic downturns. There can be no assurance that the Corporation will be successful in obtaining any additional financing required to continue its business operations and/or to maintain its property interests, or that such financing will be sufficient to meet the Corporation's objectives or obtained on terms favourable to the Corporation. Failure to obtain sufficient financing as and when required may result in the delay or indefinite postponement of exploration and/or development on any or all of the Corporation's properties, or even a loss of property interest, which would have a material adverse effect on the Corporation's business, financial condition and results of operations.

### **Estimates of Capital Costs and Operating Costs**

As a result of the substantial expenditures involved in the development of a mineral project, the need to project years into the future, the need to make assumptions and use models that may not adequately approximate reality, and the fluctuation of costs over time, a development project is prone to material cost overruns.

Capital costs, operating costs, production and economic returns, and other estimates may differ significantly from those anticipated by the Marban Technical Report, and there can be no assurance that the Corporation's actual capital or operating costs will not be higher than currently anticipated or that returns will not be lower than anticipated. The current inflationary trends in the global economy and supply chain issues may negatively impact study inputs. The Corporation's actual costs may vary from estimates for a variety of reasons, including: limitations inherent in modelling; changes to assumed third party costs; short term operating factors; revisions to mine plans; risks and hazards associated with development and mining described elsewhere in this AIF and the Marban Technical Report; natural phenomena, such as inclement weather conditions, water availability, floods, and earthquakes; and unexpected labour shortages or strikes. Operating costs may also be affected by a

variety of factors, including mining methods, changing waste-to-ore ratios, mineralized material grade metallurgy, labour costs, cost of commodities, general inflationary pressures and currency exchange rates. Many of these factors are beyond the Corporation's control. Failure to achieve estimates or a material increase in costs could have a material adverse effect on the Corporation's business, financial condition, results of operations, cash flows and prospects.

### **Market Price of Common Shares**

The Common Shares trade on the Exchange under the symbol "OIII" and on the OTCQX® Best Market under the symbol "OIIIF". The market price of securities of many companies, particularly exploration and development stage mining companies, experience wide fluctuations that are not necessarily related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that an active market for the Common Shares will be sustained, or that fluctuations in the price of the Common Shares will not occur. The market price of the Common Shares at any given point in time may not accurately reflect the Corporation's long-term value. Securities class action litigation has often been brought against companies following periods of volatility in the market price of their securities. The Corporation may in the future be the target of similar litigation. Securities litigation could result in substantial costs and damages and divert management's attention and resources.

### **Global Financial Conditions**

Current global financial conditions have been subject to increased volatility and uncertainties, marked by high levels of inflation, higher interest rates, capital markets uncertainties, economic uncertainties as a consequence of the war in Ukraine and other global geopolitical tensions, supply chain issues, fluctuation in energy and commodity prices, and labour shortages. As such, access to public financing, particularly for junior resource companies, has been negatively impacted. These factors may impact the ability of the Corporation to obtain equity or debt financing in the future and, if obtained, such financing may not be on terms favourable to the Corporation. If increased levels of volatility and market turmoil continue, the Corporation's operations could be adversely impacted, and the value and price of the Common Shares could be adversely affected.

### **No Earnings and History of Losses**

The business of developing and exploring resource properties involves a high degree of risk and, therefore, there is no assurance that current exploration programs will result in profitable operations. The Corporation currently has not earned any revenue from its projects; therefore, the Corporation does not generate cash flow from its operations. There can be no assurance that significant additional losses will not occur in the future. The Corporation's operating expenses and capital expenditures may increase in future years with advancing exploration, development and/or production from the Corporation's properties. The Corporation does not expect to receive revenues from operations in the foreseeable future and expects to incur losses until such time as one or more of its properties enters into commercial production and generates sufficient revenue to fund continuing operations. There is no assurance that any of the Corporation's properties will eventually enter commercial operation. There is also no assurance that new capital will become available, and if it is not, the Corporation may be forced to substantially curtail or cease operations.

### **Market Liquidity of Investment Portfolio**

The Corporation holds a portfolio of investments in public and private companies. These investments are speculative and involve a high degree of risk. There is no guarantee that these investments will earn any positive return in the short-term or long-term, and it may not be possible for the Corporation to readily liquidate the portfolio of investments. The portfolio of investments includes companies subject to trading liquidity risk, and the Corporation may not be able to sell such investments within a reasonable amount of time at a fair price, and any such sale may put downward pressure on the share price of such companies. As such, there can be no assurances that the Corporation can convert the portfolio of investments into cash quickly or at all.

### **Volatility of Commodity Prices**

The development of the Corporation's properties is dependent on the future prices of minerals and metals. In addition, should any of the Corporation's properties eventually enter commercial production, the Corporation's profitability will be significantly affected by changes in the market prices of minerals and metals.

Precious metals prices are subject to volatile price movements, which can be material and occur over short periods of time and which are affected by numerous factors, all of which are beyond the Corporation's control. Such factors include, but are not limited to, interest and exchange rates, inflation or deflation, fluctuations in the value of the U.S. dollar and foreign

currencies, global and regional supply and demand, speculative trading, the costs of and levels of precious metals production, and political and economic conditions. Such external economic factors are in turn influenced by changes in international investment patterns, monetary systems, the strength of and confidence in the U.S. dollar (the currency in which the prices of precious metals are generally quoted), and political developments.

### **Inflation**

Consumer price inflation has risen significantly in recent years and if it continues will mean much higher costs for the Corporation's expenditure programs. The Corporation's program cost estimates could rapidly become out-of-date. If this happens, the Corporation will need to either raise additional funds causing equity dilution or reduce its expenditures and reducing progress. Increases in inflation usually result in central bank interest rate hikes which can trigger negative capital market conditions, making financing difficult. While inflation increases have often led to higher precious metals prices, there can be no assurance of that, and the Corporation's operations and its share price could well be adversely affected by increased inflation.

### **No Dividends Policy**

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

### **Dilution Risk**

In order to finance future operations and development efforts, the Corporation may raise funds through the issue of additional securities of the Corporation. The constituting documents of the Corporation allow it to issue, among other things, securities of the Corporation for such consideration and on such terms and conditions as may be established by the directors of the Corporation, in many cases, without the approval of shareholders. The size of future issues of securities of the Corporation or the effect, if any, that future issues and sales of such securities will have on the price of the Corporation's securities cannot be predicted at this time. Any transaction involving the issue of previously authorized but unissued securities of the Corporation would result in dilution, possibly substantial, to present and prospective shareholders of the Corporation.

## **TECHNICAL INFORMATION**

### **SUMMARY OF MINERAL RESOURCES**

<b>Current Resources (prepared in accordance with NI 43-101)</b>							
<b>Property</b>	<b>Deposit</b>	<b>Scenario</b>	<b>Cut-off</b>	<b>Category</b>	<b>Tonnes (000 t)<sup>(1)</sup></b>	<b>Grade (g/t)</b>	<b>Ounces Au (000 oz)<sup>(1)</sup></b>
Marban Alliance	Marban	Open Pit	0.3	Indicated	52,437	1.03	1,736
				Inferred	1,038	0.97	32
		Underground	3.0	Indicated	162	4.47	23
				Inferred	860	4.43	123
	Kierens-Norlartic	Open Pit	0.3	Indicated	14,795	1.22	582
				Inferred	1,068	1.42	49
		Underground	2.5	Indicated	297	3.36	32
				Inferred	182	3.36	20
Malartic H	Open Pit	0.3	Inferred	10,203	1.04	342	
Alpha	Bulldog	Underground	1.8	Inferred	2,649	3.2	270
	Kappa	Underground		Inferred	403	3.7	48
Sleepy	Sleepy	Underground	3.0	Inferred	1,855	4.7	279.8
<b>Historical Resources (prepared in accordance with NI 43-101)</b>							
<b>Property</b>	<b>Deposit</b>	<b>Scenario</b>	<b>Cut-off</b>	<b>Category</b>	<b>Tonnes (000 t)<sup>(1)</sup></b>	<b>Grade (g/t)</b>	<b>Ounces Au (000 oz)<sup>(1)</sup></b>
Alpha	Akasaba	Open Pit	0.5	Indicated	3,009	1.37	132.5

			Inferred	285	1.76	16.1	
	Underground	2.25	Indicated	654	5.79	121.7	
			Inferred	1,538	5.51	272.4	
	Simkar	Underground	3.0	Measured	34	4.71	5.1
				Indicated	208	5.66	37.9
				Inferred	98	6.36	20.1
	Orenada	Open Pit	0.4	Indicated	3,563	1.54	176.1
				Inferred	1,470	1.38	65.1
		Underground	2.0	Indicated	191	3.00	18.4
	Inferred	609		3.12	61.1		

**Mineral Resource Notes:**

- (1) Inferred mineral resources have a great amount of uncertainty as to their existence and as to whether they can be mined legally or economically. It cannot be assumed that all or any part of the inferred mineral resources will ever be upgraded to a higher category. Mineral resources are not mineral reserves and do not have demonstrated economic viability.
- (2) Information relating to the Marban Alliance property is supported by the Marban PFS and the Malartic H MRE (as defined herein).
- (3) Information relating to the Alpha property is supported by the Alpha MRE (as defined herein).
- (4) Information relating to the Sleepy property is supported by the Sleepy Resource Estimate (as defined herein).

**Marban Alliance Mineral Resource Estimate**

Deposit	Indicated			Inferred		
	Tonnes (000 t) <sup>(1)</sup>	Grade (g/t)	Ounces Au (000 oz) <sup>(1)</sup>	Tonnes (000 t) <sup>(1)</sup>	Grade (g/t)	Ounces Au (000 oz) <sup>(1)</sup>
Marban – Open-Pit	52,437	1.03	1,736	1,038	0.97	32
Kierens-Norlartic – Open-Pit	14,795	1.22	582	1,068	1.42	49
Malartic H – Open-Pit	-	-	-	10,203	1.04	342
<b>Total – Open-Pit</b>	<b>67,232</b>	<b>1.07</b>	<b>2,318</b>	<b>12,309</b>	<b>1.07</b>	<b>423</b>
Marban – Underground	162	4.47	23	860	4.43	123
Kierens-Norlartic – Underground	297	3.36	32	182	3.36	20
<b>Total – Underground</b>	<b>460</b>	<b>3.75</b>	<b>55</b>	<b>1,043</b>	<b>4.25</b>	<b>142</b>
<b>Total</b>	<b>67,692</b>	<b>1.09</b>	<b>2,374</b>	<b>13,352</b>	<b>1.31</b>	<b>565</b>

**Marban and Kierens-Norlartic Resource Estimate Notes (Related to the Marban PFS):**

- (1) The tonnages have been rounded to the nearest 1,000 tons and the metal content has been rounded to the nearest 1,000 ounces. Totals may not add up due to rounding errors.
- (2) The mineral resource estimate described above has been prepared in accordance with the CIM Standards (Canadian Institute of Mining, Metallurgy and Petroleum, 2014) and follow Best Practices outlined by the CIM (2019) and is supported by the Marban PFS.
- (3) The effective date of the MRE is February 27, 2022.
- (4) The lower cut-off used to report Open-Pit Mineral Resources is 0.30 g/t Au. Underground mineral resources have been reported using a 3.0 g/t lower cut-off at Marban, and a 2.5 g/t lower cut-off at Kierens-Norlartic.
- (5) The Marban and Kierens-Norlartic deposits have been classified as indicated and inferred mineral resources according to drilling spacing and estimation pass. No measured resource has been estimated. Underground mineral resources have been categorized manually to remove isolated areas and have been reported using 3 metres minimum thickness.
- (6) Known underground workings have been incorporated into the block model, and zero density has been assigned to the blocks located within the voids.
- (7) The density has been applied based on measurements taken on drill core and assigned in the block model by lithology.
- (8) A minimum thickness of 3 metres was used when interpreting the mineralized bodies.
- (9) The MRE is based on subblock models with a main block size of 5 metres x 5 metres x 5 metres, with subblocks of 2.5 metres x 2.5 metres x 2.5 metres, and has been reported inside claim boundaries held by O3 Mining.
- (10) Tonnage has been expressed in the metric system, and gold metal content has been expressed in troy ounces.
- (11) These mineral resources are not mineral reserves as they have not demonstrated economic viability. The quantity and grade of reported inferred mineral resources in this MD&A are uncertain in nature and there has been insufficient exploration to define these resources as indicated or measured mineral resources; however, it is reasonably expected that the majority of inferred mineral resources could be upgraded to indicated mineral resources with continued exploration.
- (12) Mineral resources are inclusive of mineral reserves.

**Malartic H Resource Estimate Notes (excluded of the 2022 PFS study):**

- (1) The MRE described above has been prepared in accordance with the CIM Standards (Canadian Institute of Mining, Metallurgy and Petroleum, 2014) and follow Best Practices outlined by the CIM (2019).

- (2) The "qualified person" (for purposes of NI 43-101) for this MRE is Christian Beaulieu, P.Geo., consultant for G Mining Services Inc. Mr. Beaulieu is a member of l'Ordre des géologues du Québec (#1072) and is considered to be "independent" of the Corporation within the meaning of Section 1.5 of NI 43-101.
- (3) The effective date of the MRE is June 7, 2023.
- (4) The lowest cut-off grade used to report open-pit mineral resources is 0.30 g/t Au.
- (5) This MRE on Malartic H has been classified as an inferred mineral resource estimate according to drilling spacing and confidence in the geological interpretation. No measured mineral resource or indicated mineral resources have been estimated on Malartic H.
- (6) The density in this MRE has been applied based on measurements taken on drill core and assigned in the block model by lithology.
- (7) A minimum thickness of 3 metres was used when interpreting the mineralized bodies.
- (8) This MRE is based on subblock models with a main block size of 5 metres x 5 metres x 5 metres, with subblocks of 2.5 metres x 2.5 metres x 2.5 metres, and has been reported inside an optimized pit shell using a gold price of US\$1,900/oz and claim boundaries held by O3 Mining
- (9) Tonnage has been expressed in the metric system, and gold metal content has been expressed in troy ounces.
- (10) The tonnages have been rounded to the nearest thousandth tonne and the metal content has been rounded to the nearest thousandth ounce. Totals may not sum due to rounding errors.
- (11) Mineral resources are not mineral reserves as they have not demonstrated economic viability. The quantity and grade of reported inferred mineral resources in this news release are uncertain in nature and there has been insufficient exploration to define these resources as indicated mineral resources or measured mineral resources. There is a reasonable basis for determining that inferred mineral resources could be upgraded to indicated mineral resources with continued exploration.

### **Marban Alliance Mineral Reserve Estimate**

	<b>Tonnes (000 t)<sup>(1)</sup></b>	<b>Grade (g/t)</b>	<b>Ounces Au (000 oz)<sup>(1)</sup></b>
Proven	-	-	-
Probable	56,437	0.91	1,647
<b>Proven and Probable</b>	<b>56,437</b>	<b>0.91</b>	<b>1,647</b>

#### **Marban Alliance Reserve Estimate Notes:**

- (1) The mineral reserve is estimated using the Canadian Institute of Mining, Metallurgy and Petroleum (CIM), Estimation of Mineral Resources & Mineral Reserves Best Practice Guidelines (November 29, 2019) and CIM Definition Standards for Mineral Resources & Mineral Reserves, May 19<sup>th</sup>, 2014.
- (2) The qualified person (within the meaning of NI 43-101) for the estimate is Mr. Carl Michaud, Eng. M.B.A., Vice President of Mining Engineering for GMS. The effective date of the estimate is August 17, 2022.
- (3) Mineral reserves are estimated for a long-term gold price of US\$1,600/oz.
- (4) Mineral reserve cut-off grade is 0.3 g/t Au for all materials.
- (5) A dilution skin width of 1 metre was considered resulting in an average mining dilution of 5.4%.
- (6) The average strip ratio is 5.07:1.
- (7) Numbers may not add due to rounding.

\* *Cautionary Statement: The reader is cautioned that, while there are no other known factors or issues that materially affect the mineral resource estimate, there are risks faced by mining projects in the province in terms of environmental, permitting, taxation, socio-economic, marketing, and political factors and additional risk factors as listed in the "Cautionary Note Regarding Forward-Looking Information" section below.*

### **Marban Alliance – PFS Highlights**

On October 7, 2022, O3 Mining filed the Marban PFS. All figures are expressed in Canadian dollars unless otherwise stated. Reference should be made to the full text of the Marban PFS for the assumptions, qualifications and limitations described therein, a copy of which is available on SEDAR+ ([www.sedarplus.ca](http://www.sedarplus.ca)) under O3 Mining's issuer profile and on O3 Mining's corporate website ([www.o3mining.com](http://www.o3mining.com)). The following table is a summary of the Marban Alliance Project life of mine cash-flow assumptions and results:

<b>General<sup>(1)</sup></b>		
Gold Price	US\$/oz	\$1,700
Exchange Rate	US\$:CA\$	\$0.77
Mine Life	years	9.6
Total Waste Tonnes Mined	kt	286,144
Total Mill Feed Tonnes	kt	56,436
Strip Ratio	w:o	5.1
<b>Production</b>		
Mill Head Grade LOM	g/t	0.91
Mill Recovery Rate	%	94.2
Total Mill Ounces Recovered	koz	1,552
Total Annual Average Production	koz	161

<b>Operating Costs</b>		
Mining Cost	\$/t Mined	\$2.6
Mining Cost	\$/t Milled	\$15.9
Processing Cost	\$/t Milled	\$7.8
G&A Cost	\$/t Milled	\$1.4
Total Operating Costs	\$/t Milled	\$25.1
Refining & Transport Cost	\$/oz	\$2.5
Cash Costs <sup>(2)</sup>	US\$/oz	\$723
AISC <sup>(3)</sup>	US\$/oz	\$882
<b>Capital Costs</b>		
Initial Capital	\$Millions	\$435
Sustaining Capital	\$Millions	\$283
Closure Costs	\$Millions	\$49
Salvage Value	\$Millions	\$10
<b>Financials – Pre Tax</b>		
NPV (5%)	\$Millions	\$775
IRR	%	30.2
Payback	years	2.8
<b>Financials – Post Tax</b>		
NPV (5%)	\$Millions	\$463
IRR	%	23.2
Payback	Years	3.5

**Notes:**

- (1) The information provided in this table is supported by the Marban PFS.  
(2) Cash costs consist of mining costs, processing costs, mine-level general & administrative expenses and refining charges and royalties.  
(3) AISC includes cash costs plus sustaining capital, closure cost and salvage value.

- Robust Project Economics: Post-tax net present value ("NPV") (using a 5% discount rate) of \$463 million and post-tax unlevered internal rate of return ("IRR") of 23.2% using a long-term gold price of US\$1,700 per ounce and an exchange rate of \$1.00 = US\$0.77.
- Increased production profile: Annual average production increased from 115,000 ounces of gold in the Marban PEA (as defined herein)\* to 161,000 oz Au in the Marban PFS, supported by a 50% increase in mill throughput, a 15% increase in peak mine rate, lower cut-off grade of 0.30 g/t Au compared to 0.35 g/t Au in the Marban PEA, a lower strip ratio of 5.1 and increased mill gold recovery.

\* References the Marban PEA are to the technical report entitled "NI 43-101 Technical Report & Preliminary Economic Assessment of the Marban Project, Québec, Canada" dated October 23, 2020 (with an effective date of September 3, 2020) prepared for O3 Mining by Ausenco Engineering Canada Inc., Golder Associates Ltd., Moose Mountain Technical Services, WSP Canada Inc. and Kenneth Williamson (the "Marban PEA"). The Marban PEA has been superseded and is no longer a current technical report on the Marban Engineering Project for purposes of NI 43-101.

- Low capital intensity: Initial capital (CAPEX) of \$435 million including mine preproduction, processing, and infrastructure (roads, power distribution, tailings facility, ancillary buildings, and water management). Capital intensity ratio (NPV/CAPEX) of 1.1x per dollar invested.
- Competitive cost profile and rapid payback: All-in-Sustaining Cost (AISC) of US\$882 per ounce, a post-tax payback of 3.5 years, with \$1,971 million EBITDA and \$760 million post-tax free cash flow over the life of mine ("LOM").
- Optimization and exploration upside towards Marban Alliance FS in late 2024 or early 2025: Well-funded to perform trade-off studies assessing new technologies including autonomous haulage and trolley assist mine fleet that may impact project economics and reduce environmental footprint. Additionally, O3 Mining will continue with a brownfield exploration program on Marban Alliance including the expansion of all lateral extensions of the near-surface mineralization, unlock the potential in the Hygrade Fold area (North-West of Kierens pit) as well as the downdip extension of the Marban deposit.

\* *Cautionary Statement: The Marban PFS Highlights are supported by the Marban PFS. The reader is advised that the results of the Marban PFS summarized in this MD&A is intended to provide only an initial, high-level review of the project potential. Reference should be made to the full text for the Marban PFS. The Marban PFS has been prepared in accordance with the CIM Standards (Canadian Institute of Mining, Metallurgy and Petroleum, 2014) and follows Best Practices outlined by the CIM (2019).*

### **Alpha – Bulldog and Kappa Mineral Resource Estimate**

Deposit	Inferred		
	Tonnes (000 t) <sup>(1)</sup>	Grade (g/t)	Ounces Au (000 oz) <sup>(1)</sup>
<b>Bulldog</b>	2,649	3.2	270
<b>Kappa</b>	403	3.7	48
<b>Total</b>	<b>3,052</b>	<b>3.2</b>	<b>318</b>

#### **Bulldog Resource Estimate Notes:**

- (1) The mineral resources described above have been prepared in accordance with the CIM Standards (Canadian Institute of Mining, Metallurgy, and Petroleum, 2014) and follow Best Practices outlined by the CIM (2019).
- (2) The qualified person for this mineral resource estimate is James Purchase, P. Geo. of G Mining Services Inc. Mr. Purchase is a member of L'Ordre des Géologues du Québec (#2082).
- (3) The effective date of the mineral resource estimate is November 10, 2022.
- (4) Underground mineral resources have been reported using a 1.8 g/t lower cut-off.
- (5) The Bulldog deposit has been classified as inferred mineral resources according to drilling spacing and estimation pass. Underground mineral resources have been categorized manually within a constraining volume to remove isolated areas not satisfying RPEEE, and have been reported using a 2 m minimum thickness.
- (6) There are no known underground workings at the Bulldog deposit.
- (7) The density has been applied based on measurements taken on the drill core, and assigned in the block model by lithology.
- (8) A minimum thickness of 2 metres was used when interpreting the mineralized bodies.
- (9) The MRE is based on subblock models with a main block size of 10 m x 3 m x 5 m, with subblocks of 2.5 m x 0.75 m x 2.5 m.
- (10) Tonnage has been expressed in the metric system, and gold metal content has been expressed in troy ounces.
- (11) The tonnages have been rounded to the nearest 1,000 tonne and the metal content has been rounded to the nearest 1,000 ounce. Gold grades have been reported to one decimal place reflecting the uncertainty associated with inferred mineral resources.

### **Technical Reports**

Scientific and technical information in this MD&A relating to the Marban and Kierens-Norlartic deposits of the **Marban Alliance Project** is supported by the Marban PFS entitled "*Marban Engineering Project NI 43-101 Technical Report & Prefeasibility, Val-d'Or, Québec, Canada*" and dated October 7, 2022 (with an effective date of August 24, 2022). The Marban PFS was prepared for the Corporation by Ausenco Engineering Canada Inc. and G Mining Services Inc., by the following qualified persons: Renee Barrette, ing., James Purchase P. Geo., Carl Michaud, P.Eng., Ali Hooshari, P.Eng., Davood Hasanloo, P.Eng., and Andréanne Hamel, ing., each of whom is a "qualified person" within the meaning of NI 43-101 and considered to be "independent" of the Corporation for purposes of Section 1.5 of NI 43-101. Reference should be made to the full text of the Marban PFS, which was prepared in accordance with NI 43-101 and is available electronically on SEDAR+ ([www.sedarplus.ca](http://www.sedarplus.ca)) under O3 Mining's issuer profile. The Marban PFS replaces the previous technical report entitled "Marban Engineering NI 43-101 Technical Report and Mineral Resource Estimate" dated April 13, 2022 (with an effective date of February 27, 2022), prepared for O3 Mining by Ausenco Engineering Canada Inc. and G Mining Services Inc. (the "2022 Marban MRE"), as the current technical report on the Marban Alliance project for purposes of NI 43-101. As of the date of this MD&A, the Marban Alliance Project is the only mineral project on a property material to the Corporation for purposes of NI 43-101.

Scientific and technical information in this MD&A relating to the Malartic H deposit of the **Marban Alliance Project** is supported by the news release of the Corporation entitled "*O3 Mining Delivers Maiden Mineral Resource Estimate for Malartic H*" and dated June 20, 2023 (with an effective date of June 7, 2023) (the "Malartic H MRE"). The Malartic H MRE was prepared for the corporation in accordance with NI 43-101 by Christian Beaulieu, P. Geo, consultant for G-Mining Services Inc. a "qualified person" within the meaning of NI 43-101 and considered to be "independent" of the Corporation for purposes of Section 1.5 of NI 43-101.

Scientific and technical information in this MD&A relating to the Alpha property, including the **Bulldog and Kappa deposits** is supported by the technical report entitled "*NI 43-101 Technical Report Alpha Property Québec, Canada*" and dated December 23, 2022 (with an effective date of November 10, 2022), which has been prepared for the Corporation by G Mining Services Inc. (the "Alpha MRE"). The Alpha MRE was prepared by James Purchase, P. Geo., a "qualified person" within the meaning of NI 43-101 and considered to be "independent" of the Corporation for purposes of Section 1.5 of NI 43-101. G Mining Services Inc. is considered to be "independent" of the Corporation for purposes of Section 1.5 of NI 43-101. Reference should be made

to the full text of the Alpha Resource Estimate, which was prepared in accordance with NI 43-101 and is available electronically on SEDAR+ ([www.sedarplus.ca](http://www.sedarplus.ca)) under O3 Mining's issuer profile.

This MD&A uses the terms measured, indicated, and inferred mineral resources as a relative measure of the level of confidence in the resource estimate. Readers are cautioned that mineral resources are not economic mineral reserves and that the economic viability of mineral resources that are not mineral reserves has not been demonstrated. The estimate of mineral resources may be materially affected by geology, environmental, permitting, legal, title, socio-political, marketing, or other relevant issues. It cannot be assumed that all or any part of an inferred mineral resource will ever be upgraded to an indicated or measured mineral resource category. The mineral resource estimate is classified in accordance with the Canadian Institute of Mining, Metallurgy and Petroleum's "CIM Definition Standards on Mineral Resources and Mineral Reserves" incorporated by reference into NI 43-101. Under Canadian rules, estimates of inferred mineral resources may not form the basis of feasibility or pre-feasibility studies or economic studies except for a preliminary economic assessment as defined under NI 43-101. Readers are cautioned not to assume that further work on the stated resources will lead to mineral reserves that can be mined economically.

### **SUMMARY OF MINERAL PROPERTIES**

The Corporation's various gold mineral properties in Canada are summarized below:

<b>Exploration Properties</b>	<b>Location</b>	<b>Ownership</b>	<b>%</b>
Alpha (including Bulldog, Orenada, Akasaba and Simkar deposits)	Québec	O3 Mining <sup>(1)</sup>	100%
Alpha – Centremaque option	Québec	O3 Mining <sup>(1)</sup>	80%
Sleepy	Québec	O3 Mining <sup>(1)</sup>	40%
Matachewan-	Ontario	O3 Mining <sup>(1)</sup>	100%
Wydee	Ontario	O3 Mining <sup>(1)</sup>	100%
Harricana	Québec	O3 Mining <sup>(1)</sup>	100%
Marban Alliance	Québec	O3 Mining <sup>(1)</sup>	100%
Horizon	Québec	O3 Mining <sup>(1)</sup>	100%
Regcourt	Québec	O3 Mining	100%
Louvem	Québec	O3 Mining	100%
Peacock	Québec	O3 Mining	100%
Kan	Québec	O3 Mining	100%
Kinebik (including the Cameron property)	Québec	O3 Mining	100%
Launay	Québec	O3 Mining	100%
Nelligan	Québec	O3 Mining	30% <sup>(4)</sup>

**Notes:**

- (1) Effective January 1, 2022, the Corporation completed an internal reorganization (the "Reorganization") whereby the Corporation's wholly-owned subsidiaries NioGold Mining Corporation, 9401-3513 Québec Inc., Alexandria Minerals Corporation, and Murgor Resources Inc. were amalgamated with the Corporation by way of statutory short form amalgamation to form a single entity named "O3 Mining Inc.". Immediately prior to the Reorganization, these properties were owned by a wholly-owned subsidiary of O3 Mining (Alexandria Minerals Corporation, NioGold Mining Corporation or 9401-3513 Québec Inc., as the case may be).
- (2) O3 Mining has earned in 80% of the Centremaque property from Golden Valley Mines ("Golden Valley") as a result of completing the Centremaque Interest Acquisition.
- (3) Probe Metals Inc. ("Probe Metals") has earned in 60% of the property. Probe Metals can earn an additional 10% interest on the Sleepy property for a total of 70%.
- (4) 70% interest held by Bonterra Resources Inc. on 58 mining titles located near the Bachelor Lake property. It is subject to a 2% net smelter returns ("NSR") royalty, half of which may be repurchased by Bonterra Resources Inc. for \$1,000,000.

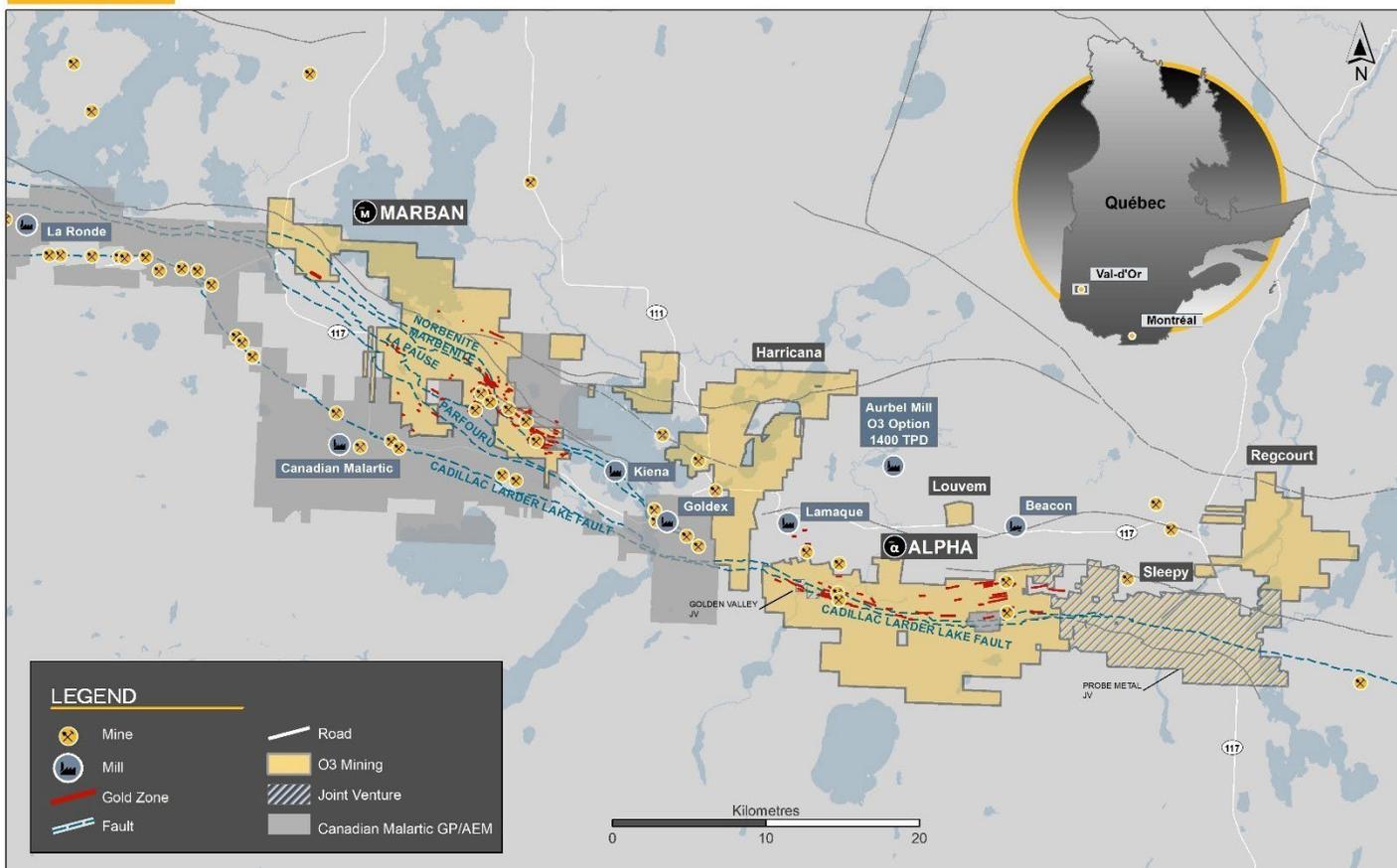
## MINERAL PROPERTY DESCRIPTIONS

### Val-d'Or Mining District Properties

O3 Mining holds a number of properties along or near the Cadillac Break, located in the southeastern Abitibi Greenstone Belt of the Archean Superior Province in the Canadian Shield. The properties are located in the Val-d'Or and Malartic municipalities of the Abitibi-Témiscamingue administrative region in the Province of Québec. The properties are easily accessed via all-season public paved roads, public gravel roads, all-terrain vehicle trails, and bush roads. The Cadillac Break is located at the boundary between the Abitibi sub province and the Pontiac sub province, which is marked by the Cadillac-Larder Lake Fault zone and stretches for over 35 kilometres along the break. The Cadillac-Larder Lake Fault zone is a regional-scale strike fault and/or shear zone and is one of the most important structural controls on the gold mineralization in the Abitibi Greenstone Belt, which has produced 100 million ounces of gold since the early 1900s. Discoveries in the region, at depths between 500 and 1,500 metres, show that the properties of the Val-d'Or mining district are highly under-explored, as most recent drilling has been in the upper 300 metres over the whole package, and only locally testing down to 500 metres in depth.

### O3 Mining

### O3 MINING - ABITIBI MINING DISTRICT



### Marban Alliance Property

The Marban Alliance property is located in the western portion of the province of Québec, Canada, midway between the towns of Val-d'Or and Malartic and is comprised of 65 mining claims covering 2,189 hectares. Exploration conducted at the Marban Alliance property apparently dates back to at least 1940 and includes geologic mapping, sampling, compilation of geological, structural, and geochemical data, geophysical prospecting, trenching, and extensive drilling from the surface and underground. At least 14 different companies explored and/or mined on parts of the property from 1940 through 2019 when O3 Mining was created. The deepest drill hole reached 1,475 vertical metres.

The Marban Alliance property includes the mineral resource estimate that informed the Marban PFS and the Malartic H deposit. The Marban Alliance property is located about 15 kilometres west of the town of Val-d'Or in the Abitibi-Témiscamingue region of Québec, Canada, and consists of 65 mining claims (2,189 hectares). It results from the amalgamation of the former Marban,

First Canadian, Norlartic, Gold Hawk, Malartic Hygrade, Malartic Hygrade-NSM and Malartic H claims. On November 9, 2020, O3 Mining completed the acquisition of the remaining 50% interest in the Northern Star claims (also known as the Virginia claims) from 9265-991 Québec Inc. for \$200,000, giving it 100% ownership. The Marban Alliance Project contains six past-producing mines (Marban, Nolaritc, Kierens, Malartic Hygrade, Orion #8 and Camflo), which collectively produced 872,000 ounces of gold between 1959 and 1992. The property is also located about 15 kilometres from the Canadian Malartic mine and lies along the same shear structures as Wesdome Gold Mines Ltd.'s Kiena deposit and Agnico Eagle Mines Limited's Goldex mine.

In addition to the resources included in the Marban PFS, there are other targets that the Corporation is actively exploring within the Marban Alliance Project.

The Malartic H deposit drilling highlights consist of an array of veinlets composed of quartz, calcite, and chlorite within a folded and sheared basaltic unit crosscut by strongly altered felsic dykes. On the Orion #8 zone, the mineralization intersected by drilling is similar to the mineralization observed at surface and correspond to strongly albitized and pyritized basalt.

The updated mineral resource announced in the 2022 Marban MRE is estimated from 507,238 metres of drilling in 2,205 holes including 39,208 metres in 209 holes drilled by O3 Mining from March to December 2021. Most of the drilling was dedicated to infill drilling to convert the inferred mineral resources contained in the prior Marban PEA to indicated mineral resource, which has been used as the resource base of the recently released Marban PFS, together with recently completed and reported metallurgical test work results.

The most recent mineral resource announced in the 2023 Malartic H MRE is estimated from 29,000 metres of drilling in 103 holes, including 8,036 metres in 25 holes completed by O3 Mining in March 2022 and from January to March 2023.

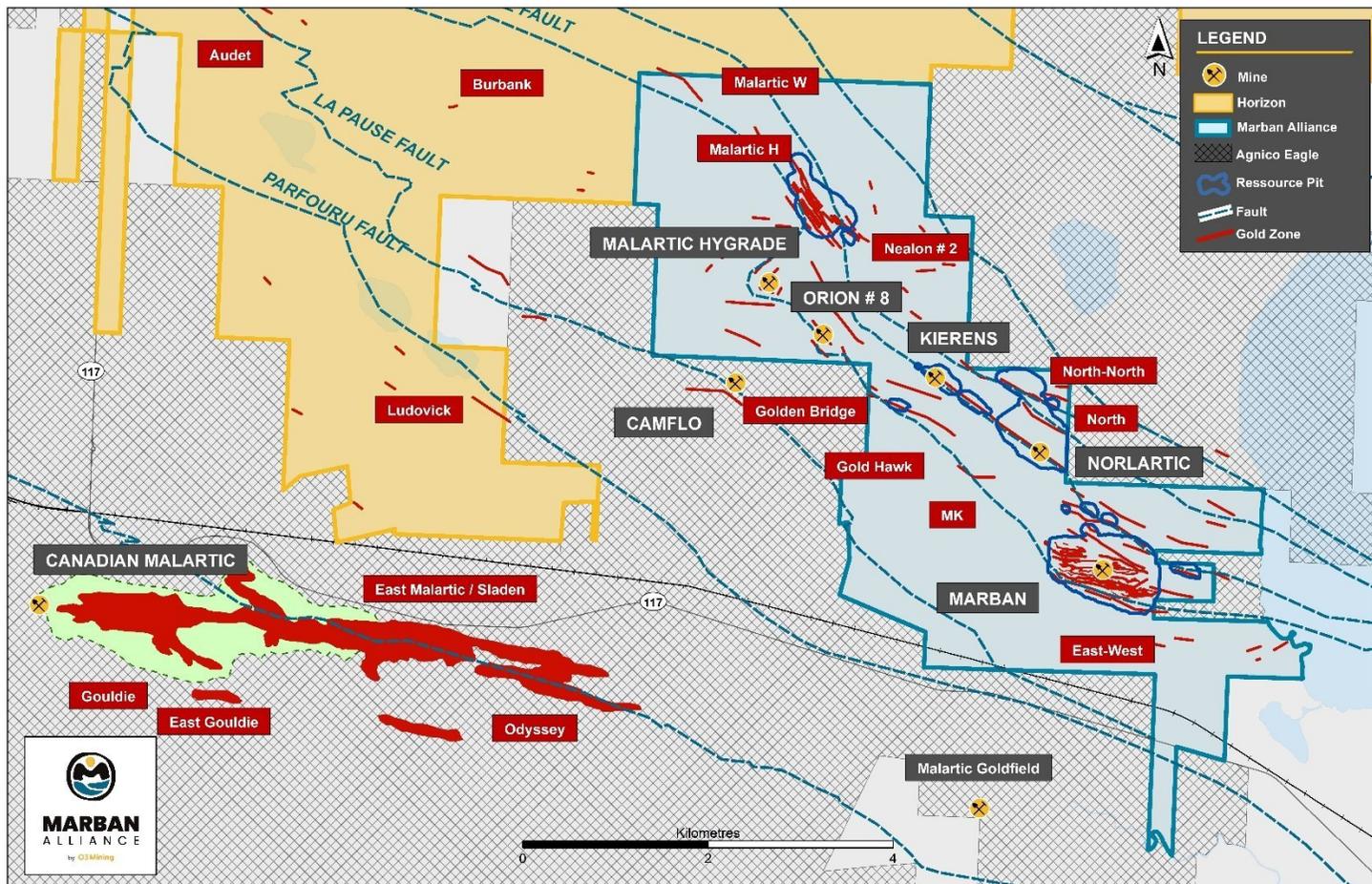
The Marban Alliance property lies within the Archean Abitibi greenstone belt of the Superior Province, which consists of alternating east-trending metavolcanic-plutonic and sedimentary belts bounded by crustal-scale faults. The Marban Alliance property is subdivided into the Malartic Group, plume-derived komatiitic-tholeiitic marine-plain volcanic assemblages divided from north to south, into the La Motte-Vassan, Dubuisson, and Jacola formations and the Louvicourt Group representing an arc-type complex subdivided into the Val-d'Or Formation, a transitional to calc-alkaline volcanic complex, and the Héva Formation, characterized by geochemically distinct iron tholeiites.

The metavolcanic rocks within the Marban Alliance property are cut by three major northwest to west-northwest-striking auriferous shear zones of regional extent — the Marbenite, Norbenite and North and shears. The Marbenite shear hosts the Marban Alliance deposit, while the Norbenite shear hosts both the Kierens and Norlartic gold deposits and the North shear hosts the North zone.

The property hosts at least two types of gold mineralization. The first related to the major shears of the property, namely Marbenite, Norbenite, and North shears. Those shears are also related to the Kiena and Goldex deposits. Along those shears, the mineralization consists of quartz and quartz-carbonate-chlorite veins and veinlets within mafic and intermediate rocks. The thickest quartz veins of this type contain angular fragments of the host rocks. Alteration of the host rock consists of albitization, carbonatization and chloritization, whereas tourmaline is absent. This style of mineralization is common, regardless of the host rocks, in the Marban Alliance, Norlartic, Kierens, North, and Orion deposits. Sulphide content is generally below 2%, disseminated in the wall rock. At the Marban Alliance and Orion deposit the veins and veinlets are mainly hosted within an iron-rich basalt and are either transposed along the main schistosity or folded. At a larger scale, those deposits were concentrated along subhorizontal early fold hinges, a folding event that pre-date the main deformation event, in the southern Abitibi region, which is related to the penetrative subvertical schistosity and associated subvertical folds. At Norlartic and Kierens, the veins and veinlets are hosted intermediate dykes and are less deformed possibly due to a more competent host rock. Couture et al. (1994) and Bertrand-Blanchette (2016) have documented mineralization cut by tonalitic intrusions dated at  $2692 \pm 2$  Ma for Norlartic and  $2680 \pm 1$  Ma for Orion. The implication of these relative and absolute timing is that at least part of the mineralization is older than the main deformation event recorded in the southern Abitibi region. Although the mineralization shares multiple characteristics of orogenic gold deposits, namely the association with major shears, the carbonite and albite alteration and the lack of significant base metal or silver content, the deposits are much older than the orogenic gold deposits of the Val-d'Or mining district (Sigma-Lamaque and others). They can therefore be classified as pre-main deformation or early orogenic gold deposits.

The second mineralization type is related to tonalitic and granodioritic intrusions that cut the early mineralization. The best example is the North-North Zone hosted within a tonalitic intrusion. This zone consists of quartz-carbonate-tourmaline veins surrounded by albite alteration halos. They are very similar to the vein systems found in the Sigma-Lamaque and Goldex mines. The veins are spatially associated with discrete shear but the veins themselves are relatively undeformed. The same

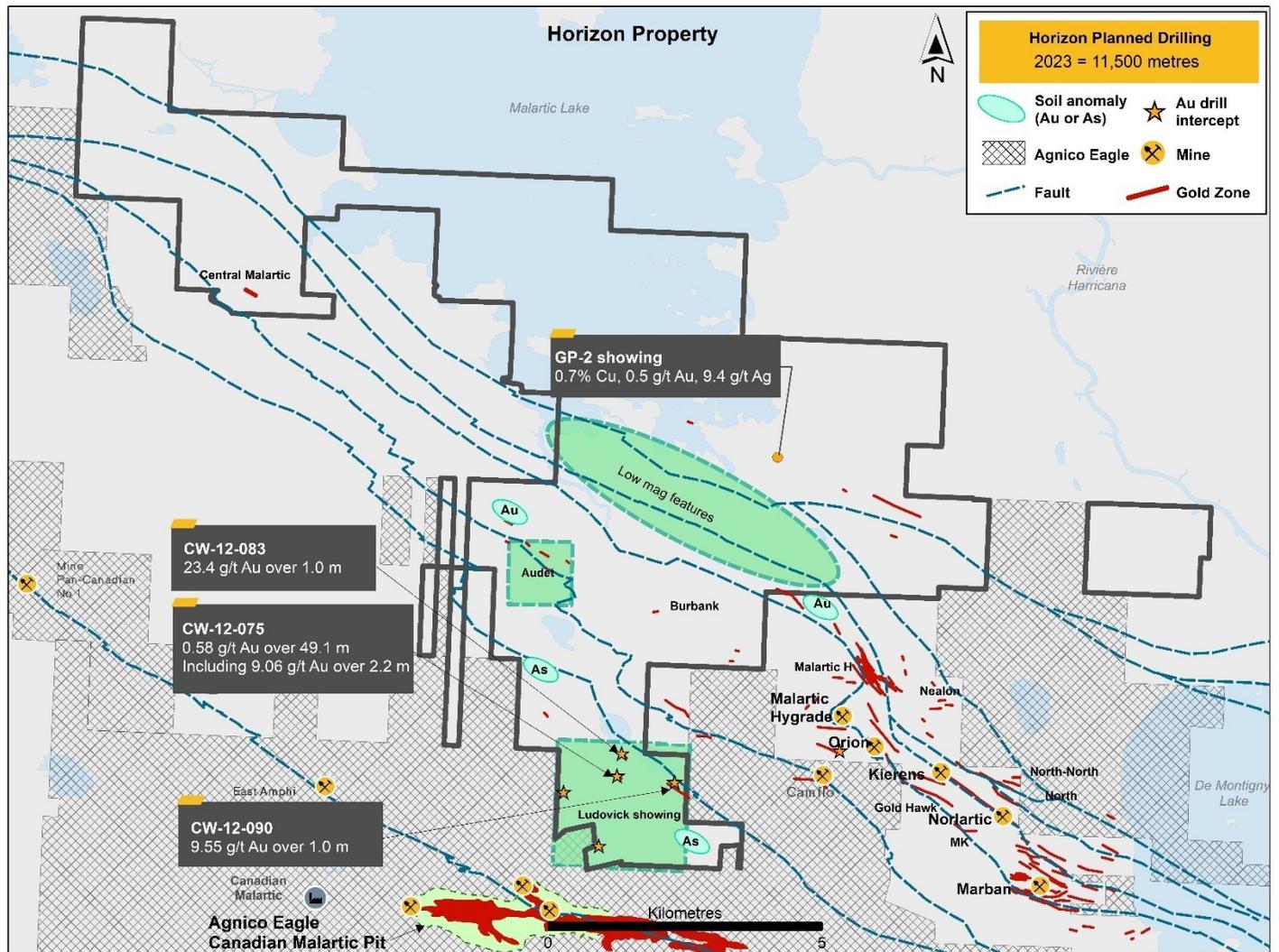
kind of gold-bearing veins is also found within the felsic intrusion south of the Norlartic deposit dated at  $2692 \pm 2$  Ma (Couture et al., 1994). Like Sigma-Lamaque this mineralization event is classified as orogenic gold mineralization.



### Horizon Property

The Horizon property is located directly to the northwest of Marban Alliance. It comprises 192 claims covering 8,778 hectares, contiguous with Marban Alliance. The exploration stage at Horizon is less advanced than Marban Alliance, even though it covers the traces of the prolific Marbenite and Norbenite shears. Historically, the companies that explored Horizon are the same ones that explored Marban Alliance. NioGold Mining Corporation's ("NioGold") drilling was more systematic and covered the interpreted extensions of the Marbenite and Norbenite shears at spacings varying between 400 to 800 metres.

The Horizon property is located in the southern portion of the Archean Abitibi greenstone belt, where the Parfouru fault separates the Blake River segment to the west from the Malartic segment to the east (Daigneault et al., 2002). The western portion of the property contains the eastern end of the Blake River Group, which manifests as a north-dipping panel with faulted contacts bordered by the sedimentary units of Kewagama to the north and Cadillac to the south (De Souza et al., 2020). The local geology and mineralization styles at Marban Alliance extend onto the Horizon property over approximately 7 kilometres. Notable intercepts from NioGold in this sector include 1.0 g/t Au over 5.1 m (CW-10-013) and 0.2 g/t Au over 30.4 m (CW-10-012) on the W Zone, some 1.5 kilometres northwest of the Malartic H deposit. Additionally, the Horizon property covers the Parfouru and La Pause gold-bearing shears located south and north of the Kewagama sedimentary basin, respectively. The La Pause corridor hosts the historical Camflo mine that produced 1.9 M oz Au at 5.3 g/t Au. Significant intercepts by NioGold along those corridors include 8.2 g/t Au over 3.1 m (CW-11-021), 23.4 g/t Au over 1.0 m (CW-12-083) and 9.1 g/t Au over 2.2 m (CW-12-075). The latter was intersected in a mineralized envelope that returned 0.6 g/t Au over 49.1 m starting at surface.



## Alpha Property

The Alpha property is located in the Abitibi region, in the Bourlamaque and Louvicourt Townships, approximately 8 kilometres southeast of the city of Val-d'Or in the province of Québec, Canada, directly south of Eldorado Gold Corporation's Lamaque mine. The Alpha property, an amalgamation of several historical properties, totals 321 contiguous claims for 12,077 ha. O3 Mining owns 100% of the claims of the Alpha property, except for six claims forming the Centremaque Block, which is held 80% by O3 Mining and 20% by Golden Valley. Various NSR royalties are in place with previous owners.

The Alpha property includes five gold deposits (Bulldog, Kappa, Akasaba, Orenada and Simkar) and several prospective gold occurrences (Epsilon, Pontiac East and West, Mid Canada, Ducros, Hogg, Oramaque, Jolin, Sabourin, Goldora and Valdora).

The Alpha property has a long history of exploration that started in the 1920s. Before being consolidated by O3 Mining in 2019, the property was divided into multiple smaller properties, which were prospected by several companies over the past decades. Historical exploration work on the property included geophysical surveying, geochemical programs, geological and structural mapping, trenching, sampling, reverse circulation drilling, and diamond drilling from surface and underground.

High-resolution and modern aeromagnetic surveys covering the property were completed in 2011 by Alexandria. Induced polarization surveys on the property were among Alexandria's exploration activities. A MEGATEM airborne electromagnetic system was conducted to explore for sulphide-related mineralization. A downhole InfiniTEM XL survey was also conducted west of the Simkar mine in the Anamaque property area. The O3 drilling database contains 3,211 diamond drill holes totaling 706,748 metres which captures nearly a century of drilling information from 1929 to 2022.

The Alpha property is situated in the Val-d'Or mining district within the Precambrian Canadian Shield of western Québec. Rocks of the Val-d'Or gold district belong to the Archean Abitibi greenstone belt of the Superior Province, Québec. The Abitibi greenstone belt consists of east-trending alternating volcanic, plutonic and sedimentary belts bounded by crustal-scale faults. The Alpha Property is located at the junction of the Abitibi and Pontiac subprovinces and covers over a 20-kilometre-long portion of the Cadillac–Larder Lake Fault Zone directly southeast of the Val-d'Or mining camp.

Two principal sub-types of orogenic gold mineralization have been identified on the Alpha property. At the Orenada deposit, shear-hosted mineralization consists of quartz–tourmaline–albite–carbonate veins and veinlets within mafic and intermediate rocks, with a low sulphide content (<2%). Arsenopyrite is closely associated with gold mineralization. At the Bulldog deposit, mineralization is associated with broader zones of deformation and alteration, with sericitization and disseminated pyrite as the main indicators for gold mineralization hosted in felsic dykes.

In addition to the shear zone-hosted gold mineralization, intermediate to felsic intrusions can be prospective host units and exhibit different alteration minerals due to the chemical interaction between mineralizing fluids and the host rocks. This type of mineralization tends to be associated with quartz–carbonate–tourmaline veins surrounded by albite alteration halos. They are similar to the vein systems found at the Sigma-Lamaque and Goldex mines in the Val-d'Or mining camp.

Finally, gold-copper deposits of skarn and porphyry types are found within mafic volcanic and intrusive rocks proximal to the edges of the multiphased East Sullivan and Callahan plutons. Akasaba West is the main deposit of this type. Cu±Au±Mo skarn and porphyry style mineralization is dominant at both Akasaba and East Sullivan Rim and represents the more atypical examples of gold mineralization in the Val-d'Or mining camp. Bigot (2021) identified a number of gold deposits surrounding the East Sullivan stock that exhibit Cu±Au±Mo affinities with high sulphide contents and calc-silicate assemblages (Ca-amphibole, epidote, and carbonate ± magnetite). Garnets are also frequently noted, leading to the interpretation that the Akasaba and East Sullivan deposits can be potentially classified as skarn deposits and co-exist with orogenic deposits such as Orenada and Bulldog.

#### ***j) Centremaque Option***

On October 1, 2021, the Corporation announced that it has, through its wholly owned subsidiary, Alexandria (O3 Mining following the amalgamation), acquired an 80% undivided interest in the Centremaque property, located on O3 Mining's Alpha property in Val-d'Or, Québec, Canada, from Golden Valley.

The acquisition was completed pursuant to the terms of an option agreement dated April 20, 2017, between Golden Valley and Alexandria (as amended, the "Option Agreement"), pursuant to which Golden Valley granted Alexandria an option to complete the Centremaque Interest Acquisition by, among other things, incurring \$4.0 million in eligible expenditures (collectively, the "Required Expenditures") over a four-year period following the date of the Option Agreement.

On September 9, 2021, Golden Valley and Alexandria amended the terms of the Option Agreement to allow Alexandria to satisfy a shortfall of \$209,000 in Required Expenditures by delivering Common Shares to Golden Valley *in lieu* thereof. In accordance with the terms of the amended Option Agreement, the Corporation has issued to Golden Valley an aggregate of 98,570 Common Shares in full satisfaction of Alexandria's obligations to incur the Required Expenditures under the Option Agreement.

In accordance with the terms of the Option Agreement, upon the closing of the Centremaque Interest Acquisition, Golden Valley and Alexandria are deemed to have formed a joint venture for the purposes of, among other things, further exploring the Centremaque property and, if deemed warranted, developing, constructing, and operating a mine on the Centremaque property (or a part of thereof).

#### ***ii) Integra Option***

In 2012, Alexandria (O3 Mining following the amalgamation) has optioned one claim from the airport area located at the western edge of the Alpha property to Eldorado Gold Corporation (formerly Integra Gold Corp.)

#### ***Sleepy Property***

The property comprises 232 individual claims (7,408 hectares). On November 28, 2016, Alexandria entered into a binding agreement with Probe Metals, which sets forth the terms of an exploration earn-in on the property. In order to earn a 60% interest on the Sleepy property, Probe Metals must: (i) commit \$5.0 million in work expenditures over a period of four years; and (ii) issue \$300,000 of its common shares upon signing. Following the completion of the committed \$5.0 million in work

expenditures, Probe Metals exercised its option in April 2021. The Sleepy property is now held in a joint venture with 60% of the interest owned by Probe Metals and 40% of the interest maintained by O3 Mining.

Probe Metals can earn an additional 10% interest on the Sleepy property by: (i) completing a pre-feasibility study (1 million ounces); (ii) incurring an additional \$2.0 million in exploration expenditures; and (iii) issuing to O3 Mining an additional 200,000 of its common shares.

### ***j) Exploration Activity***

During the period ended June 30, 2023, Probe Metals did not complete any additional work on the property.

#### ***Harricana Property***

The Harricana property is located 9 kilometres northeast of the town of Val-d'Or, on the eastern shore of Blouin Lake, and hosts the Aurbel deposit. The Harricana property is 100%-owned by the Corporation and is comprised of 117 individual claims (3,878 hectares). The eastern portion of the property was acquired by O3 Mining on August 23, 2019, as a result of its acquisition of Harricana River Mining Corporation Inc. The western portion of the property was acquired from Niogold.

#### ***Regcourt Property***

The Regcourt property comprises 89 claims and covers 2620 hectares (26 km<sup>2</sup>) in the eastern part of the Abitibi Greenstone Belt, 30 km east of Val-d'Or, Québec. The Regcourt Mine deposit was discovered in 1944. During initial exploration, an area of outcrop in the vicinity of a granodiorite stock was stripped, exposing the main vein, which yielded an average gold grade of 8.13 gpt (grams per tonne) with an average width of 0.76 metres over a strike length of 67 metres. Underground development was carried out in 1946-47 and comprised a 544 ft shaft and 1317 ft of cross-cuts and drifts. Many surveys were completed on the property including: mapping, geochemistry, different types of geophysics, systematic RC drilling and wide spread diamond drilling. The Regcourt property, outside the Regcourt mine, went from hand to hand through the years and the shape of the property varied substantially. Exploration was carried out for base metals as well as for gold (same geological package as the Louvicourt base metal deposit located to the west).

The Regcourt mine is associated to a gold-bearing, fault-fill and extensional quartz-tourmaline-pyrite vein system, hosted in a small (200 m x 400 m) granodiorite intrusion. A shear zone that transects the granodiorite intrusion is documented in several historic holes and underground workings, and likely continues into the surrounding country rock. The style of deformation and mineralization at the historic Regcourt mine deposit is consistent with other gold deposits in the Val-d'Or gold mining camp. The deposit contains a historic mineral inventory (not NI-43-101 compliant), in the vicinity of the shaft, of 61,000 tonnes Au @ 5.49 gpt (10,766 oz.), calculated to a depth of 500 ft (Routledge, 1983). Similarities between the gold mineralization at Regcourt and that of the nearby Beaufort mine are recognized.

#### ***Louvem Property***

On March 16, 2020, the Corporation purchased the Louvem property from Monarch Mining Corporation. The Louvem property consists of 12 mining claims and is located 5 kilometres east of the town of Val-d'Or, in the Abitibi-Témiscamingue region of Québec. In accordance with the terms of the asset purchase agreement, the Corporation: (i) acquired a 50% interest in the Louvem property in exchange for the issuance of 4,546 Common Shares. In July 2021, the Corporation completed the \$10,000 payment to earn the additional 50% of the property.

#### ***Other Québec Properties***

##### ***Éléonore Opinaca Property***

On October 19, 2023, the Corporation entered into a transfer agreement with Osisko Development Corp. and Electric Elements, pursuant to which, among other things, the Corporation sold its Éléonore Opinaca property in exchange for 2,400,000 common shares of Electric Elements. Consideration for the sale of the Éléonore Opinaca property was fair valued at \$1,200,000.

##### ***Kinebik Property***

The Kinebik properties straddles over 40 kilometres of strike along the prolific auriferous Casa Berardi break, which extends over 400 kilometres in the northern part of the Abitibi Greenstone Belt. Along its length, there are five mining districts including the +5.0M oz Au world-class Casa Berardi deposit, the Douay deposit (3.0M oz Au at 1.1 g/t Au), and the Vezza deposit (0.3M

oz Au at 6.2 g/t Au). The property is easily accessible all year round through the main roads to Matagami and Chibougamau cities. The Cameron property (1,242 hectares) covers the Cameron Lake deformation zone, a structure up to 5.7 kilometres wide and forming part of the wider Casa Berardi break corridor. Historical drill intercepts at Cameron include 3.7 g/t Au over 3.9 m and 21.8 g/t Au over 1.5 m. There are three deposits directly west of Cameron, namely Discovery (0.5M oz Au), Flordin (0.3M oz Au) and Cartwright (0.3M oz Au), all of which are hosted by the Cameron Lake deformation zone. The Kinebik property has approximately 17,750 hectares and covers over 30 kilometres of strike along the Casa Berardi trend, 150 kilometres east of the Casa Berardi mine. The property covers the Casa Berardi break and adjacent iron formations, the same formations present at the Casa Berardi mine. Very little drilling has been conducted on the Kinebik property, which is widely covered by quaternary deposits. The two properties that compose the Kinebik properties, totaling close to 20,000 hectares, offer promising discovery potential based on their strategic geological location, confirmed gold occurrences, and very little historical drilling no deeper than 250 meters vertical. The work program for 2024 considers compilation of Kinebik project historical work, geological mapping, prospecting and soil sampling expected to commence during the summer of 2024 and overburden drilling program expected to commence during winter 2024 to determine initial drill targets in specific areas along the 40 kilometres of strike which the Kinebik project straddles along the Casa Berardi Break.

On December 22, 2023, the Corporation completed the acquisition of claims from (i) NewOrigin for aggregate cash consideration of \$50,000 and 88,404 Common Shares, and (ii) Globex in exchange for cash consideration of \$150,000, the issuance of 1,185,897 Common Shares, and the retention by Globex of a 2.5% Gross Metals Royalty.

### **Launay Property**

The Launay property is located near the villages of Taschereau and Launay in southern Abitibi, 55 km NNE of Rouyn Noranda. It consists of 103 claims covering an area of 3,928 hectares. Access to the property is via an old trail connected to Highway 111, which crosses the property from west to east. The main trail leads to the top of the hill that formed Zone 75.

The property has been explored and mapped since the 1930s. However, most of the exploration work (including trenching, stripping, drilling and geophysical surveys) were done in the 1980s and 1990s by Messeguay Mines. More than 200 holes were drilled systematically through the whole property, focusing mainly on Zone 75, Zone Principale and Zone 53. In 1988 Messeguay published a mineral resource for Zone 75 containing 29,500 oz Au at 3.6 g/t Au in the indicated category and 33,246 oz Au at 3.3 g/t Au in the inferred category. Furthermore, Melkior conducted exploration work from 2012 to January 2014 including 28 diamond drill holes, metallurgical testing and surface work such as channeling and grab sampling. The property was subsequently acquired by Beaufield, which was then acquired by Osisko Mining and spun off into O3 Mining. A total of 37,410 metres of diamond drilling distributed over approximately 227 DDHs has been conducted on the Launay property.

The bedrock of the Launay property consists of felsic intrusive rocks of the Launay Pluton and Taschereau Batholith, mainly granodiorite and granite with various alteration. The main alteration includes epidote, potassic (biotite and potassic feldspar), albite, hematite, carbonate and sericite. Gold is associated with disseminated pyrite mineralization within albite-rich and/or potassic altered granite. Gold values are typically between 1.0 and 5.0 g/t Au in these zones. Locally, fracturing is developed within the albite-rich altered zones and gold seems to be more concentrated, typically above 5.00 g/t. Gold is also associated with quartz veins, especially on Zone Principale. Quartz and feldspar porphyry intrusions as well as mafic breccia-dykes occur which represent local marker horizons through the property.

At the property scale, gold mineralization seems to be concentrated at the intersection of NNE to NE structures with a crescent shape magnetic high extending over more than 5 km. Outside of the main mineralized area, several showings located in similar intersections remain to be fully explored.

### **Peacock Property**

The Peacock property is located in the western portion of the province of Québec, Canada, about 70 km north of the town of Amos and 40 km west of the Sleeping Giant Gold project from Mines Abcourt. It consists of 169 claims covering an area of 8,590 hectares distributed in two separate blocks. The property is easily accessible by a network of logging roads.

A wide variety of exploration work has been conducted on the Peacock property and its immediate surroundings since 1948. Much of this work consisted of compilation studies, trenching, stripping, sampling, geophysical surveys and drilling.

The areas host many projects that have reached an advanced exploration stage or even production. The gold potential of the region is notably illustrated by the Sleeping Giant gold mine (3,158,698 tons at 10.48 g/t Au) located 40 km east of the Peacock property. Between 2009 and 2012 Maudore Minerals Ltd. performed prospecting work on the Peacock property area. It

consisted of prospecting, stripping, mapping and sampling. A total of 1,270 samples (including 179 economical samples and 1,091 lithological samples) were collected.

The Peacock property area lies within the east-central portion of the Abitibi Subprovince in the Superior Province of the Canadian Shield. This subprovince consists of a large Archean belt of volcano-plutonic rocks that extends more than 600 kilometres from Timmins in Ontario to Chibougamau in Québec. The belt is bordered to the north by granitic rocks of the Opatica Subprovince and to the south by sedimentary rocks of the Pontiac Subprovince. The southern limit of the Abitibi Subprovince is roughly marked by the Larder Lake—Cadillac Fault. It also happens to be one of the richest mining regions in the world and has produced large amounts of gold, copper, zinc, silver from Timmins, Kirkland Lake, Rouyn-Noranda, Val-d'Or, Matagami and Chibougamau mining districts.

The Peacock property area is mostly underlain by volcanic rocks. This sequence is characterized by mafic volcanism with superimposed felsic volcanics. The volcanic sequence is dominated by massive, pillowed and brecciated basalt of tholeiitic composition. Mafic volcanic rocks are intercalated with sedimentary and felsic volcanic rocks. Most of the volcanic episodes took place from 2.75 to 2.70 Ga and were closely followed by deformation, regional metamorphism and an episode of plutonism. Sedimentary assemblages occur as thin, discontinuous, east-trending belts more than 100 km in length. They are intercalated with volcanogenic conglomerates, banded iron formations, shales and cherts. The volcanic rocks were affected by the Kenorean north-south regional compression. This compression resulted in a well-developed E-W schistosity flowing around regional plutons.

A litho-geochemistry study of the areas reveals many felsic rocks on both blocks of the property. On the western block, field observations on historical stripping revealed a NW-SE orientation in the volcanic rocks near the contact with the Mistaouac Pluton. The first derivative component of the magnetic survey indicates that the overall orientation of the band of felsic rocks becomes more N-S moving southward. These felsic rocks extend to the north and could possibly be the stratigraphic equivalent of the felsic volcanic sequences hosting the Joutel base metal deposits some 30 km north of the Peacock west block. The Joutel district produced a total of 11.1 Mt of 2.0% Cu, 0.7% Zn and 6.2 g/t Ag out of two mines between 1966 and 1975.

The Peacock property shows potential for three (3) deposit types: volcanogenic massive sulphide, greenstone-hosted quartz-carbonate veins, and nickel-copper sulphide. On the Bieber showing grab samples returned up to 0.97% Cu. Prospecting also led to the discovery of significant Au, Ag, Cu and Mo values in a quartz veins (sample L230796: 1.3 g/t Au, 38.8 g/t Ag, 2130 ppm Cu and 2890 ppm Mo). Also, many other quartz veins were found on the Gaby stripping.

### **Kan Property**

The Kan property is located within the Labrador Trough, approximately 80 kilometres southwest of Kuujuaq, Québec. It covers approximately 40 kilometres of favorable stratigraphy that includes silicate-carbonate iron formations, thick metal-rich black shales units, gabbros and turbidites. The Kan project surface was reduced to 300 claims (3,980 hectares). 125 claims are subject to a 2% NSR royalty in favour of Les Ressources Tectonic Inc., 0.5% of which may be purchased for \$750,000 at any time by Osisko Gold Royalties Ltd ("Osisko GR") and an additional 0.5% of which may be purchased for \$750,000 by Altius Resources Inc. In addition, Osisko GR holds an NSR royalty over the total number of claims on the production of precious metals for a minimum of a 1.5% NSR royalty and a maximum of a 3.5% NSR royalty and a 2.0% NSR royalty on all other metals provided. However, if there is an existing royalty applicable on any portion of the claims, the royalty percentages shall, as applicable, be adjusted so that the aggregate maximum royalty percentage on such portion shall not exceed a 3.5% NSR royalty at any time.

### **Ontario Properties**

#### **Matachewan and Wydee Properties**

The Matachewan and Wydee properties lie to the east and west, respectively, of the town of Matachewan, Ontario, a historical gold mining town located at the western end of Ontario Highway 66 along the Montreal River. The town is located approximately 75 kilometres southeast of Timmins, Ontario and 60 kilometres southwest of Kirkland Lake, Ontario. Just three kilometres west of the town of Matachewan lies Alamos Gold Inc.'s Young-Davidson Mine, which has been in production since 2012.

The Matachewan property is comprised of 248 contiguous mining claims units encompassing 4,330.11 hectares and measures approximately eight by ten kilometres. The claims are 100% owned by O3 Mining. The Wydee property comprises 332 contiguous mining claims units encompassing 6,125 hectares and measures approximately eight by ten kilometres. The claims are 100% owned by O3 Mining.

Exploration history on the properties goes back to the 1950s. More recently, from 2003 to 2009, Alexandria Minerals conducted a large bulk of work across the central portion of the property in Cairo Township. This included airborne magnetics and very low frequency- electromagnetics, ground magnetics and induced polarization surveys, and twelve diamond drill holes totalling 4,189.6 metres. In 2005 and 2009, following the geophysical survey results, eight holes were drilled to test various strong induced polarization/low magnetic anomalies on their main Matachewan property north of Highway 66, both along the syenite sediment contact and within the mafic volcanics. In 2017 to 2020, Prosper Gold Corp. performed geological mapping, airborne geophysics and drilling under an option agreement with Alexandria. In 2020 the agreement was terminated, and the property went back to Alexandria.

The Matachewan and Wydee properties are located in the southwestern part of the Abitibi greenstone belt of the Superior Province near the town of Matachewan. The Abitibi greenstone belt is comprised of a complex and diverse sequence of volcanic, sedimentary, and plutonic rocks that are typically metamorphosed to greenschist facies, but locally attained amphibolite facies adjacent to large plutons.

The Larder Lake-Cadillac fault zone is the major deformation zone in the area and cuts across the Matachewan property. The deformation zone contains several key characteristics: (i) a spatial association with ultramafic volcanic rocks; (ii) a spatial association with conglomerate rocks; (iii) a locus for carbonate alteration; (iv) a spatial association with alkalic-shoshonitic igneous rocks; (v) a locus for highly strained rocks, shear zones and folds; and (vi) a site of numerous gold deposits and occurrences (Poulsen, 2017).

Past and present producing gold mines in the Matachewan area are mainly contained within sheared and altered syenitic rocks, mafic volcanic flow and tuffs, and Timiskaming sedimentary rocks (Bernatchez, 2005). Most of the gold mined in the Matachewan area has been mined at the Young-Davidson deposit, which is considered a syenite-associated deposit.

Numerous mineral occurrences have been documented on the Matachewan and Wydee properties. Historically, three styles of gold mineralization have been recognized, including syenite-hosted, mafic volcanic-hosted, and shear-zone hosted gold mineralization. Among them, the Carmax area is one of the most promising with historical cuts of 1.6 g/t Au over 9.0 m, 4.1 g/t Au over 1.5 m and 5.3 g/t Au over 1.5 m in hole MAT-08-07. These intercepts remain open along the 5km+ long associated IP anomaly flanking a magnetic unit.

### **SUMMARY OF POTENTIAL ROYALTIES**

Some of the Corporation's various gold mineral properties have claims which have historic royalties. Such royalties will only be payable if ore is produced from the applicable claims. The estimated Royalties, buy-back rights, and consideration ranges are linked to specific mining claims, and don't necessarily apply to the property in its entirety, or necessarily to a specific resource.

<b>Property</b>	<b>Potential Royalties</b>	<b>Buy-Back Range</b>	<b>Consideration Range (\$Million)</b>	<b>Note</b>
Alpha (Bulldog, Orenada, Akasaba and Simkar deposits)	1-2%	1-2%	\$0.5	
Alpha – Centremaque option	1.5%	0.5%	\$1.0	Additional 20% free carried interest to holder
Sleepy	NA	NA	NA	
Matachewan-Wydee	NA	NA	NA	
Harricana	NA	NA	NA	
Marban Alliance (Marban, Kierens, Nolartic, Malartic H, & Other deposits)	0.5-3%	1-1.5%	\$0.5-\$1.5	
Horizon	0.5-3%	0.5%-1.5%	\$0.2-\$1.5	
Regcourt	NA	NA	NA	
Louvem	1%	0.5%	\$0.3	

Property	Potential Royalties	Buy-Back Range	Consideration Range (\$Million)	Note
Peacock	NA	NA	NA	
Kan	1.5-3.5%	NA	NA	
Kinebik	1%-2.5%	0.5-1%	\$1-\$1.5	
Launay	1.5%	NA	NA	

**Note:**

*The Marban Technical Report also discloses the existence of a 2-3% NSR royalty on 50% of any production payable to RGLD Gold Canada Inc. pursuant to an agreement dated April 3, 2003 between Barrick Gold Corporation ("Barrick") and McWatters Mining Inc. ("McWatters") (being 2% NSR royalty if gold < \$350 or 3% NSR royalty if gold > \$350. Buy-out option on half of the NSR royalty for \$1,500,000 if gold > \$350 or \$1,000,000 if gold < \$350). RGLD Gold Canada Inc. acquired the NSR royalty interest from Barrick in 2008. No amount has been paid on account of the NSR royalty, as such royalty would only be payable upon commercial production. Subsequent to the publication of the Marban Technical Report, the Corporation concluded that this NSR royalty did not pass with the land when a predecessor to the Corporation acquired McWatters' rights, titles, and interest in the Marban Property in 2004, and that such NSR royalty would not be payable on any production from the property.*

**CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION**

This MD&A may contain forward-looking statements and forward-looking information within the meaning of applicable Canadian securities legislation (collectively, "forward-looking information"), including, but not limited to, statements relating to the future financial or operating performance of the Corporation, the Corporation's mineral projects, the future price of metals, the estimation of mineral resources, the realization of mineral resource estimates, the timing and amount of estimated future production (if any), the timing and ability of O3 Mining to advance its properties, make production decisions, and prepare future technical reports, capital, operating and exploration expenditures, exploration activities, costs and timing of the development of new deposits, costs and timing of future exploration, international conflict, the Corporation's ability to resolve conflicts with non-governmental organizations or other groups, the timing and ability of the Corporation to publish further technical reports, including the timing and ability to publish the Marban Alliance FS (if at all), use of proceeds from financings, requirements for additional capital, government regulation of mining operations and mineral exploration activities, environmental risks, reclamation expenses, title disputes or claims, limitations of insurance coverage, and transactions. Often, but not always, forward-looking information can be identified by the use of words and phrases such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", or "believes" or variations (including negative variations) of such words and phrases, or state that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved.

Forward-looking information reflects the Corporation's beliefs and assumptions based on information available at the time such statements were made. Actual results or events may differ from those predicted in forward-looking information. All of the Corporation's forward-looking information is qualified by the assumptions that are stated or inherent in such forward-looking information, including the assumptions listed below, the risks described in the section entitled "*Risks and Uncertainties*" in this MD&A and the sections entitled "*Risk Factors*" and "*Cautionary Statement Regarding Forward-Looking Information*" in the annual information form of the Corporation dated March 6, 2024 for the financial year ended December 31, 2023, the financial statements of the Corporation, and other public disclosure of the Corporation, all of which are available on SEDAR+ ([www.sedarplus.ca](http://www.sedarplus.ca)) under the O3 Mining's issuer profile.

Although the Corporation believes that the assumptions underlying the forward-looking information contained in this MD&A are reasonable, this list is not exhaustive of the factors that may affect any forward-looking information. The key assumptions that have been made in connection with forward-looking information include the following: the significance of drill results and ongoing exploration activities; the ability of exploration activities (including drill results) to accurately predict mineralization; the predictability of geological modelling; the accuracy of the Corporation's records of its property interests; the global economic climate; metal prices; inflation; environmental risks; community and non-governmental actions; that permits required for the Corporation's operations will be obtained on a timely basis in order to permit the Corporation to proceed on schedule with its planned drilling programs; that skilled personnel and contractors will be available as the Corporation's operations continue to grow; that the price of gold will exceed levels that will render the project of the Corporation economical; the relevance of the assumptions, estimates and projections; the impact of international conflict, or the escalation thereof, on the markets, generally, and on the business and prospects of the Corporation; and that the Corporation will be able to continue raising the necessary capital to finance its operations and realize on its mineral resource estimates.

Forward-looking information involves known and unknown risks, future events, conditions, uncertainties, and other factors which may cause the actual results, performance, or achievements to be materially different from any future results,

performance or achievements expressed or implied by forward-looking information. Such factors include, among others, general business, economic, competitive, political and social uncertainties; public health crises; the actual results of current exploration activities; errors in geological modelling; conclusions of economic evaluations; changes in project parameters as plans continue to be refined; future prices of metals; possible variations of grade or recovery rates; failure of plant and equipment or processes to operate as anticipated; accidents, labour disputes and other risks of the mining industry; political instability; and delays in obtaining governmental approvals or financing or in the completion of development or construction activities.

Although the Corporation has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking information, there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended. Forward-looking information contained herein is given as of the date of this MD&A and the Corporation disclaims any obligation to update any forward-looking information, whether as a result of new information, future events, or results, except as may be required by applicable securities laws. There can be no assurance that forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking information.

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### **ADDITIONAL INFORMATION**

Additional information regarding the Corporation can be found in the annual information form of the Corporation dated March 6, 2024, for the financial year ended December 31, 2023, which is available electronically on SEDAR+ ([www.sedarplus.ca](http://www.sedarplus.ca)) under O3 Mining's issuer profile.