Annual Information Form

For the year ended
December 31, 2025



DYNACOR GROUP INC.
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Dynacor

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Except as otherwise indicated, the information contained in this Annual Information Form ("**AIF**") is up to date as at December 31, 2025, and all amounts are expressed in US dollars. This AIF presents the results for the fiscal year ended December 31, 2025 and is dated March 24, 2026.

1. FORWARD-LOOKING STATEMENTS

Certain statements contained in sections "General Development of the Business", "Description of the Business", “Mining Properties” and “Dividends” of this AIF and the documents incorporated by reference contain certain forward-looking statement information and forward-looking statements (collectively referred to herein as ("**forward-looking statements**"). Statements related to Dynacor Group Inc. (the "**Corporation**" or "**Dynacor**") projected revenues, earnings, growth rates, revenue and expansion plans are forward looking statements as are any statements relating to future events, conditions or circumstances. The use of terms such as “believes”, “expects”, “will”, “intends”, “projects”, “anticipates”, “estimates”, “predicts”, “aims”, “targets”, “would”, “could”, “may”, “should”, “likely”, “plans”, “forecasts”, “continues”, or similar terms or the negative thereof are intended to assist in identification of these forward-looking statements. By its nature, forward-looking information involves numerous assumptions, known and unknown risks and uncertainties, both general and specific, that contribute to the possibility that the predictions, forecasts, projections and other forward-looking statements will not occur and may cause actual results to differ materially from those anticipated in such forward-looking statements. Therefore, readers are cautioned not to place undue reliance upon any such forward-looking statements.

Many factors could cause the actual results of the Corporation to differ materially from the results, performance, achievements or developments expressed or implied by such forward-looking statements, including, without limitation, each of the following factors, which are discussed in further detail below under the heading "Risk Factors", beginning on page 11:

Operational Risks

- environmental matters;
- licenses and permits;
- political, country and exportation risks;
- tax matters;
- supply and quality of feedstock;
- water supply;
- labour and employment relations;
- production and cost estimates;
- competition;
- dependence on management
- insurance risk;
- litigation;
- anti-corruption laws;
- stage of development;
- mining industry and mining projects;
- risks related to statutory and regulatory compliance;
- title risks and mining claims; and
- conflict of interests.

Financial Risks

- metal price volatility;
- foreign exchange rate fluctuations;
- access to capital markets and future financing;
- execution of expansion;
- reputational risk;
- cybersecurity threats;
- share price volatility;
- increased costs and compliance risks of being a public corporation; and
- pandemics;

The forward-looking statements contained herein are expressly qualified in their entirety by this cautionary statement. The Corporation disclaims any obligation to update or revise these forward-looking statements except as required by applicable law.

2. CORPORATE STRUCTURE

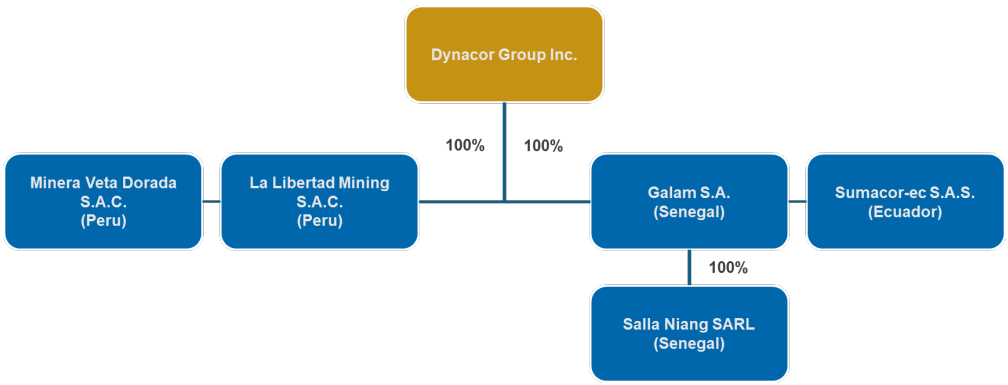
NAME, ADDRESS AND INCORPORATION

Dynacor was incorporated pursuant to Part IA of the *Companies Act* (Québec) by Certificate and Articles of incorporation issued on December 15, 2006, under the name of "Malaga Mines Inc.". The Corporation changed its name to "Dynacor Gold Mines Inc." on April 25, 2007, and to "Dynacor Group Inc." on June 22, 2022. The Corporation is governed by the *Business Corporations Act* (Québec) ("**QBCA**"). The head office of the Corporation is located at 606 Cathcart, suite 640, Montréal, Québec, H3B 1K9.

The Corporation is a reporting issuer in all Canadian provinces and territories, and its common shares are listed on the Toronto Stock Exchange ("**TSX**").

INTERCORPORATE RELATIONSHIPS

The following chart shows the intercorporate relationships among Dynacor and its subsidiaries:



Minera Veta Dorada S.A.C. ("**Veta Dorada**") was incorporated in June 2010 pursuant to the *Business Corporations Law* (Peru). Its registered office is located at 148 calle Valdivia, Edificio Platinium Plaza I, Oficina 601, San Isidro Lima, Peru. The subsidiary is involved in the production and export of gold in and from Peru, through the processing of ore purchased from multiple government registered small-scale miners in Peru. It is also involved in the exploration of mining properties in Peru.

La Libertad Mining S.A.C. was incorporated pursuant the *Business Corporations Law* (Peru). Its registered office is located at 4021 av. Petit Thouars, Piso 1, San Isidro, Lima, Peru. This wholly-owned subsidiary was acquired for the purchase of a real estate property.

Sumacor-EC S.A.S. (formally Arkham Metals S.A.S.) was incorporated pursuant to Ecuadorian laws. Its registered office is located at calle Vía El Pache, barrio El Osorio, cantón Portovelo, province of El Oro, Ecuador. This wholly-owned subsidiary was acquired on July 14, 2025 and owns the Svetlana ore processing plant.

Galam S.A. was incorporated pursuant to Senegalese laws. Its registered office is located at Quartier Fahu 1, Thies, Senegal. This wholly-owned subsidiary owns land in Southern Senegal through its subsidiary Salla Niang SARL, on which it is currently building an ore-processing pilot plant.

Dynacor also fully owns Massawa S.A. which was incorporated to develop its business model in Côte d'Ivoire. As of December 31, 2025, this subsidiary was at the pre-development stage.

3. GENERAL DEVELOPMENT OF THE BUSINESS

Dynacor currently operates a 500 tonnes per day ("tpd") ore processing plant located in Southern Peru. Over the last three years, the Corporation has produced between 113,791 and 130,001 gold-equivalent ounces ("AuEq oz"), generating total sales of $250.2 million in 2023 and $397.6 million in 2025, an increase of 58.9%.

The Corporation is duplicating its business model in selected jurisdictions: In Senegal, construction of a pilot plant is in progress, and in Ecuador, the Corporation is currently refurbishing an ore processing plant.

The Corporation is continuously monitoring artisanal mining activities globally to evaluate opportunities to develop its business in other jurisdictions through export of its expertise and know-how.

THREE-YEAR HISTORY (2023-2024-2025)

Year ended December 31, 2023

Ore Processing Operations

2023 began with a solid ore inventory level which represented 20 days of production at full plant capacity rate of 500 tpd. Purchased ore volume continued to increase, reaching more than 55,000 tonnes in the fourth quarter.

Overall, in 2023, the Veta Dorada plant processed a total of 170,668 tonnes of gold mineralized material compared to 150,819 tonnes in 2022, an increase of 13.2%.

Total sales for 2023 amounted to $250.2 million compared to $197.5 million in 2022, an increase of 26.7%, due to a higher volume and higher sales price.

Other Projects

The Corporation continued its plan to expand operations in other jurisdictions, with an allowed budget of $1.0 million to advance its due diligence process.

Exploration of Tumipampa Project

In 2023, exploration activities were still on hold. The Corporation signed a confidentiality letter with an exploration company to finance and initiate the approved surface drilling exploration program.

Year ended December 31, 2024

Ore Processing Operations

2024 began with a strong ore inventory level that represented 42 days of production at full plant capacity rate of 500 tpd. During the year, the Veta Dorada plant processed a total of 175,872 tonnes of gold mineralized material compared to 170,668 tonnes in 2023 (an increase of 3.0%), closing the year with an ore inventory equivalent to 24 days of full capacity production.

Total sales for 2024 amounted to $284.4 million compared to $250.2 million in 2023, an increase of 13.7% due to the higher sales price.

Other Projects

The Corporation advanced its strategic plan to expand operations in other jurisdictions. During the year, a total of $1.0 million was expensed in Africa including in Senegal and Côte d'Ivoire.

Exploration of Tumipampa Project

In 2024, exploration activities were still on hold. No agreement was finalized between the Corporation and the third-party with which it had signed a confidentiality letter in 2023. Instead, the Corporation renewed direct dialogue with the local community and received their positive support to reach an eventual agreement upon the ratification of the newly elected community chief by the local authorities. A community agreement is a precondition to obtaining an exploration permit from the Ministry of Mines and Energy, in order to conduct the drilling exploration program approved by the Corporation's Board of Directors.

Year ended December 31, 2025

Ore Processing Operations

During the year, the Veta Dorada plant processed a total of 165,898 tonnes of gold mineralized ore compared to 175,872 tonnes in 2024. In 2025, operations were primarily impacted by a month-long government curfew on regional artisanal and small-scale miners ("ASM") and planned maintenance in Q2-2025, as well as two weeks of ASM road blockades in July 2025. As a result, production totaled 113,791 AuEq oz compared to 117,552 AuEq oz in 2024.

Total sales for 2025 amounted to $397.6 million compared to $284.4 million in 2024, an increase of 39.8% due to the higher sales price.

Other Projects

During the year, a total of $1.3 million was expensed in Africa (Senegal and Côte d'Ivoire) and Latin America (Ecuador) as part of its international expansion.

Exploration of Tumipampa Project

In 2025, exploration activities were still on hold. The Corporation renewed direct dialogue with the local community chief and received his positive support for an eventual agreement. The Corporation has offered to help build community infrastructure and is optimistic that the new community leader's approval will be supported by a clear majority of community members at a near-future meeting. A community agreement is a precondition to obtaining an exploration permit from the Ministry of Mines and Energy, in order to conduct the drilling exploration program approved by the Corporation's Board of Directors.

2026 Outlook

The Corporation is pursuing its expansion plan to launch ore-processing plants for ASMs in West Africa (Senegal) and Latin America (Ecuador).

Ore Processing

For 2026, with a focus on improving productivity and achieving efficiencies no increase in installed plant capacity is anticipated at its Veta Dorada plant in Peru. The plant is expected to continue running at full capacity.

First ore is expected during Q2-2026 in Senegal and during Q4-2026 in Ecuador.

The Corporation's objective is to produce between 125,000 and 135,000 AuEq ounces in 2026.

Other Projects

The Corporation will pursue its efforts to develop projects in other carefully selected jurisdictions.

2026 Objectives:

- Africa – Complete construction of the pilot plant in Senegal, process first ore in Q2-2026 and establish operating and financial parameters across African geologies. Finalise discussions with Ghana's GoldBod regarding its expansion into Ghana.
- Latin America – Refurbish the recently acquired plant in Ecuador and achieve first ore in Q4-2026. Evaluate additional expansion potential within Latin America.

Exploration of *Tumipampa Project*

Drilling targets for the project were defined in 2017 and 2018, based on the then available geological and geochemical sampling data, on the reinterpretation of the geophysical data and on the recommendations of independent experts (in disseminated gold deposits) who visited the property in the fall of 2017.

The Corporation has deferred its exploration budget for 2026. Discussions were launched with the new community chief. The Corporation has offered to help build community infrastructure and is still optimistic that the new community leader's approval will be supported by a clear majority of community members at a near-future meeting.

4. DESCRIPTION OF THE BUSINESS

Dynacor is an ore processing company dedicated to producing gold sourced from ASM. Since its establishment, Dynacor has pioneered a responsible mineral supply chain with stringent traceability and audit standards for the fast-growing ASM industry. By focusing on formalized miners, the Canadian company offers a win-win approach for governments and miners globally. Dynacor operates the Veta Dorada plant and owns a gold exploration property in Peru. The Corporation is expanding to West Africa and within Latin America.

The premium paid by luxury jewellers for Dynacor's PX Impact® gold goes to Fidamar Foundation, an NGO that mainly invests in health and education projects for ASM communities in Peru.

SALES

The Corporation exports and sells mainly to one customer in Europe based on the global gold market price. Gold can be easily sold on numerous markets throughout the world; therefore, the economic dependence is mitigated. Total sales in 2025 amounted to $397.6 million.

Gold prices fluctuate widely and are affected by numerous factors such as, but not limited to, inflation rates, exchange rates, interest rates, global and regional political and economic crises. The demand and supply of gold usually affects gold prices but not necessarily in the same manner as other commodities. The Corporation did not enter into any gold derivative contracts in 2025.

COMPETITIVE CONDITIONS

A fully permitted gold processor, the Corporation operates legally in Peru, where it has a long-held reputation as a reliable producer. It has amassed almost 30 years of experience in the business, developed an extensive ore purchasing network, and built long-term, trust-based relationships with suppliers in Peru. The Corporation purchases mineralized material from hundreds of ore suppliers throughout Peru. The plant's location represents a competitive advantage due to its position in Chala, Peru a mere five kilometres from the Panamerican highway.

COMPONENTS

The Corporation purchases ore from ASM across Peru, that are formalized or engaged in the Peruvian formalization process, which it then processes at its ore-processing facility, in Chala. The price of the ore purchased is determined by the grades obtained from ore sample analyses, in addition to the current market price of gold, other production and competitive factors.

ENVIRONMENTAL PROTECTION

The Corporation's operations are fully compliant with all environmental regulations. Environmental permits are required for both ore processing and exploration activities.

Asset retirement plans are in place for the Veta Dorada and the Svetlana plants. A related asset retirement obligation in the total amount of $14.9 million was recorded in the Corporation's consolidated year-end balance sheet as at December 31, 2025, compared to $3.7 million as at December 31, 2024. The increase is primarily attributable to the recognition of asset retirement obligations associated with the Svetlana plant acquired in Q3-2025, including $8.6 million related to the rehabilitation of two historical tailing ponds previously operated at the site. As part of its normal processing activities, the Corporation raises or expands its tailing ponds when required and ensures their management in full compliance with applicable environmental rules.

Asset retirement plans are in place for the Veta Dorada and the Svetlana plants. A related asset retirement obligation in the total amount of $14.9 million was recorded in the Corporation's consolidated year-end balance sheet as at December 31, 2025, compared to $3.7 million as at December 31, 2024. The increase is primarily attributable to the recognition of asset retirement obligations associated with the Svetlana plant acquired in Q3-2025.

During 2018, the Corporation completed the dismantling and restoration of the Huanca plant as per its approved plan. The monitoring timetable was extended by Ministry of Mines and Energy of Peru until 2026.

PERMITS

Exploration and ore-processing activities on the Corporation's properties require permits from local authorities. Such activities are subject to local laws and regulations governing exploration activities, mining activities, exports, taxation, labour standards, health and safety, land use and environmental protection. Failure to comply with applicable laws and regulations and permit requirements or amendments to them could have a harmful effect on the Corporation and could cause an increase of capital expenditures, exploration costs or production costs, or a decrease in the levels of production of the ore processing. Such amendments or the implementation of such laws and regulations could further cause the abandonment or delay the development of certain properties of the Corporation.

In order for the Corporation to commence exploration or mining activities on its various properties, the Corporation must obtain all the required approvals and permits including community agreements. Additional permits or studies, which may include environmental impact studies, are usually necessary prior to launching the mining phase on properties in which the Corporation may have an interest. To that effect, no assurance can be provided or obtained that the Corporation will be able to obtain or maintain all required permits to commence the construction, development or operation of mining facilities on these properties on terms which enable operations to be conducted at economically justifiable costs.

As of March 2026, the drilling program planned at Tumipampa is subject to the Corporation reaching a work agreement with the local community.

EMPLOYEES

As at December 31, 2025, the Corporation had 594 full-time employees, of which 566 worked for the Corporation's subsidiary in Peru, with the balance employed at its head office in Montréal and in Ecuador.

FOREIGN OPERATIONS

With the exception of the projects underway in Senegal and Ecuador, all ore-processing and mining exploration activities and equipment are currently located in Peru.

5. MINING PROPERTIES

The Tumipampa property, wholly owned by the Corporation, is the only mineral project that is material to the Corporation. It hosts an exploration-stage property that has not yet reached commercial production. The Corporation also holds a 100% interest in the greenfield Anta silver exploration prospect which has seen little exploration activity since its acquisition. However, the claims have been renewed for an additional one-year period. As at March 24, 2026, an agreement is still pending from the Tumipampa community. Dynacor continues to work on obtaining the community's approval, a prerequisite to obtaining the exploration permits to conduct the drilling program planned for the disseminated area of the property

TUMIPAMPA

In 2011, the Corporation retained Geologica to prepare a technical report on Tumipampa in accordance with *Regulation 43-101 respecting Standards of Disclosure for Mineral Projects* ("**Regulation 43-101**"). Alain-Jean Beauregard, P. Geol. and Daniel Gaudreault, P. Eng. are the co-authors of the technical report dated November 28, 2011. A summary of this report can be found in prior AIFs. An updated technical report dated October 28, 2016 entitled "*NI 43-101 Technical Evaluation Report on the Tumipampa Property, province of Abancay, Apurimac Department, Peru*", was prepared by the same co-authors, following the two-year exploration program and was filed on SEDAR+ on October 31, 2016.

A summary of the updated technical report is reproduced herein and, for the purposes of the disclosure required under section 5.4 of Form 51-102F2 - *Annual Information Form,* a complete copy of the report is available on SEDAR+ at www.sedarplus.com.

Property, Description and Location

The Tumipampa property is located 500 km from Lima, Peru, in the Circa district, Province of Abancay, Department of Apurimac. The property has an area of approximately 4,000 hectares and is located geographically on the eastern slopes of the Andes Mountain Range.

The Corporation holds all titles and permits, which are in good standing. There are no minimum work obligations on the concessions comprising Tumipampa.

The morphology of the property is of the occidental Andes Cordillera of Peru. The average altitude is 4,500 meters above sea level with a mountainous relief, large surface areas, which are locally covered with glacial deposits and moraine. The camp on the property provides living facilities for 40 people. Local resources, infrastructures and manpower are readily available in the villages of Chacoche and Anchicha. Glacial waters feed the lakes, the rivers and the creeks. A 28-km access road was built, and the property is now easily accessible by 4X4 vehicles. Other infrastructure at the camp includes core logging and splitting facilities, a garage, diesel generator, and surface fuel tank.

In 2017 and 2018, the Corporation completed geophysics surveys on all the disseminated section of the Tumipampa property and selected drilling targets for an eventual surface drilling program.

Between 2011 and 2016, approximately $10.5 million was invested in surface and underground exploration work. The recent exploration efforts are described below.

History

The area was historically the site of old colonial workings as reflected by the audits and in situ stockpiles of quartz fragments and oxide ore near the river where crushing and washing were convenient.

Following the results obtained during the drill programs (2008-2009 and 2010-2011) on Tumipampa, the Corporation began phase I cross-cut development in 2013 which intercepted the first major structure in the Manto Dorado, and diamond drilling (NQ size) programs in order to verify the extensions (both lateral and at depth) of known auriferous mineralized veins and structures as well as the skarn mineralized areas and their extensions encountered in the northern part of the property.

Geological Setting, Mineralization, and Deposit Types

The geology mainly consists of igneous, sedimentary and metamorphic rocks. The intrusive units consist of the Apurimac batholith, which is locally named Andahuaylas-Yauri and its apophysis as well as the identified small “el Potro” porphyry system. Quaternary deposits are common in low valleys and basins, some of which are of significant thickness. The sedimentary rocks consist of limestones of the Ferrobamba Formation of Albiano- Cenomanian age of the middle Cretaceous period. The limestones are concordant and overlie the quartzites of the Soraya Formation. The metamorphic rocks are the quartzite units, which are part of the Soraya Formation of Lower Cretaceous age. Igneous Rocks consist of granodiorites and diorites of the Apurimac batholith, which intrude into the limestones and the quartzites with local moderate to intense argillic alteration. The Ferrobamba Formation is well known for its metallogenic potential for the discovery of polymetallic skarn type deposits.

The Tumipampa area has seen growing exploration activity from mining companies, some of which are amongst the largest base and precious metals producers of the world (Xtrata, Las Bambas, Southern Peru, Los Chancas, Norsemont Mining, Constancia etc.) particularly for world class porphyry copper-gold and molybdenum (Cu-Au-Mo) deposits.

Most Recent Exploration Work

From 2012 to 2016, a total of 2,571 underground channel samples were taken in chimneys, galleries and sub-levels. This sampling was mainly completed within the Manto Dorado, Manto Nazareno, Manto Nelly, Veta 1 and Veta Lisa. The purpose of the 2014 geophysical survey was to extend towards the South the magnetic (“MAG”) and IP surveys completed in 2011 by Val-d’Or Geophysics. The selected zone covers an area of four kilometers E-W by 2.4 kilometers N-S. The implemented grid consists of 13 E-W oriented lines spaced every 200 meters. The magnetic readings were done in GPS-assisted navigation mode. The IP survey only covered the northern 2/3 of the grid. In 2016, a report was completed on the processing and interpretation of ground geophysical data performed on the Tumipampa property. All in all, a total of 23 MAG and 34 IP anomalies were identified and based on the results of the processing and interpretation of the raw data.

Exploration, Development and Production

The Corporation received its exploration permit in December 2012 and initiated a drilling program on the Skarn 4 area and started a crosscut through the Manto Dorado of 298.23 meters. From 2012 to 2015, four drilling programs were completed on the Tumipampa property, totaling 12,616.30 meters (including surface and underground).

Sampling, Analysis and Data Verification

Samples are collected in the field and/or the core shack, handled, manipulated and processed by personnel of Dynacor. Sealed samples are placed in shipping bags, which in turn are sealed with plastic tie straps or fiberglass tape.

The samples were sent to the internationally certified laboratory Certimin S.A. for analysis, and checks of mineralized sections are made by sending reject samples to ALS Chemex del Peru S.A.C. Samples were

assayed by Inductively Coupled Plasma ("**ICP**") analysis and gravimetric finish assay methods. Standards, blanks and duplicates are used in the sampling process as part of the Quality Assurance/Quality Control ("**QA/QC**") for the sampling in the crosscut.

Results

Drift 190NE

In 2013, a 45-meter-long drift orientated N45°E was excavated into the Manto Dorado structure (Drift 190NE), and channel sampling revealed high grades of gold and copper. The first 26 meters of Drift 190NE were well mineralized (27.83 g/t Au and 1.69% Cu over an average true width of 1.5 meters), but the final 7 meters showed lower mineralization (0.04 g/t Au and 0.01% Cu over an average TW of 1.5 meters). However, in 2008, three surface diamond drillholes (HDD-03-2008, HDD-05-2008 and HDD-06-2008) indicated another area of high-grade gold mineralization further to the northeast. Based on this evidence, Drift 190NE was extended a further 117 meters following a N43°E orientation dipping 22°NW along the Manto Dorado structure which in this NE location has a width of up to 1.5 meters and consists of a bituminous fault structure set in limonite and showing evidence of hydrothermal and tectonic brecciated mineralization with disseminated pyrite.

Within the 117-meter extension of Drift 190NE, the first 52 meters and the last 21 meters demonstrated structural continuity but were not strongly mineralized. However, the middle 44-meter-long segment was highly mineralized and included many high-grade gold and copper channel samples. Within this segment, 60 channel samples were taken and analysed. An average gold grade of 7.99 g/t and 0.55% copper was found over an average TW of 1.12 m. The ten highest grade sub-channel samples include: sub-channel samples #11964 grading 128 g/t Au and 8.78% Cu over a TW of 0.8m and #11968 grading 58.18 g/t Au and 0.23% Cu over a TW of 0.3m.

Raises 265, 275, 285 and 290

Within the newly discovered 44-meter mineralized segment of Drift 190NE in the Manto Dorado, four raises were excavated and channel sampled in order to determine the vertical extension of the mineralization within the Manto Dorado structure. All the channel samples taken in the raises were divided into sub-channel samples in order to investigate the distribution of mineralization at a given sampling point.

Raise 265 was excavated from the 96-meter mark over a total length of 10 meters and has an average grade 7.07 g/t Au and 0.51% Cu over an average true width of 1.04 meters. Nine channel samples were taken and were divided into 24 sub-channel samples which were analysed. High-grade sub-channel samples included: sample #12288 grading 110.0 g/t Au and 3.9% Cu over a true width of 0.25m, and sample #12281 grading 41.80 g/t Au and 3.31% Cu over a true width of 0.25m.

Raise 275 was excavated from the 111-meter mark over a total length of 9 meters and showed an average grade of 2.99 g/t Au and 0.08% Cu over an average true width of 1.23 meters. Eight channel samples were taken and divided up into twenty sub-channel samples, which were subsequently analysed. High-grade sub-channel samples included: sample #12105 grading 38.69 g/t Au and 0.09% Cu over a true width of 0.3m, and sample #12111 grading 24.36 g/t Au and 0.03% Cu over a true width of 0.30m.

Raise 285 was excavated from the 121-meter mark over a total length of 17 meters and has an average grade 5.55 g/t Au and 0.26% Cu over an average true width of 1.23 meters. Fifteen channel samples were taken and divided up into thirty-four sub-channel samples which were analysed. High-grade sub-channel samples included: sample #12374 grading 36.75 g/t Au and 1.93% Cu over a true width of 0.7m, and sample #12326 grading 30.01 g/t Au and 0.01% Cu over a true width of 0.25m.

Raise 290 was excavated from the 133-meter mark over a total length of 13 meters and has an average grade 8.11 g/t Au and 0.60% Cu over an average true width of 1.15 meters. Thirteen channel samples were taken and divided into thirty-eight sub-channel samples which were analysed. High grade sub-channel samples

included: sample #12986 grading 43.38 g/t Au and 2.18% Cu over a true width of 0.3m and sample #12992 grading 39.17 g/t Au and 7.38% Cu over a true width of 0.4m.

Conclusions

The results obtained in the northeastern extension of the Manto Dorado structure are encouraging since they have shown that:

- Drift 190NE located at level 350 hosts an average grade of 6.69 g/t Au and 0.43% Cu over a total length of 162 meters with an average true width of 1.49 meters. It includes 2 segments with higher grades.
- Raise 215 shows continuous high-grade gold and copper mineralization in an 83-meter-long raise (18.59 g/t Au and 1.14% Cu with an average true width of 1.18m) towards the surface. The highly mineralized raise is open at depth and laterally.
- Raises 265, 275, 285 and 290 are all mineralized in gold and copper and have average gold grades ranging from 2.99 to 8.11 g/t Au and average copper grades ranging from 0.08 to 0.6% Cu. Assays from the four raises include high grade gold and silver channel and sub-channel samples.

Finally, results demonstrate and underline that the Manto Dorado hosts a significant gold and copper mineralized structure at Tumipampa. It is open at depth, and the Corporation also needs to explore in much greater detail its northeastern and southwestern extensions.

During Q1-2016, Dynacor released additional exploration results on the Manto Dorado including:

1. The final results for a highly mineralized 83-meter-long raise (Raise 215) that has an average gold grade of 18.59 g/t and 1.14% Cu over an average true width of 1.18m; and
2. Underground gold and copper channel sample assays that were obtained in the northeastern segment of this highly mineralized structure.

These are discussed below:

1. Mineralization in the 83-meter-long. high-grade Raise 215 from the Manto Dorado.

In February 2016, Dynacor published the final results on Raise 215 which had been further extended by 18m to reach its final length of 83 meters. Within the 18m length, there are two segments: one 6m segment that is high-grade with an average true width of 1.37m grading 15.5 g/t Au and 0.55% Cu; and a second 12m long segment grading 2.667 g/t Au with an average true width of 1.13m. Individual high grade channel samples include: channel sample #10864 grading 66.14 g/t Au and 1.61% Cu over a true width of 1.0m; channel sample #10873 grading 19.32 g/t Au and 0.55% Cu over 1.8m (true width); and finally channel sample #10866 grading 10.44 g/t Au and 0.16% Cu over 1.3m in true width.

A 40-meter-long lateral drift was excavated from the 51-meter mark in the raise following a SW to NE orientation to study the lateral extension of the gold and copper mineralization. Within the 40m lateral sub-level extension, there are two zones: one is a 29-meter long high-grade segment grading 7.612 g/t Au and 0.4% Cu over an average true width of 0.63m, and the second 11-meter segment is less mineralized grading 0.525 g/t Au over an average true width of 0.73m. Individual high grade channel samples include: channel sample #11333 grading 42.16 g/t Au and 1.0% Cu over 0.45m (true width), channel sample #11101 grading 33.38 g/t Au and 1.83% Cu over 0.7m (true width), and channel sample #11102 grading 32.19 g/t Au and 1.37% Cu over a true width of 0.75m.

6. RISK FACTORS

The Corporation's main activities consist of:

- the production of gold and silver from the processing of mineral material purchased from ASM registered with the Peruvian government;
- the development of new processing activities in Peru, Senegal, Ecuador and in other jurisdictions; and
- the exploration of its mining properties located in Peru, with the potential for commercial extraction of gold and other precious metals. There have been very limited to no exploration activities during the last three years. Such activities involve a high degree of risk and must be considered highly speculative due to the financial and operational risks inherent to the exploration and development of its mineral resource properties.

The inherent risks of the Corporation's activities may affect its profitability and level of operating cash flows. Prospective buyers of the common shares of the Corporation should give careful consideration to all information contained or incorporated by reference in this document and, in particular, the following risk factors:

OPERATIONAL RISKS

Environmental matters

The Corporation's operations, and its current projects in Ecuador and Senegal are subject to environmental regulations, which can make operations expensive or prohibit them altogether. The Corporation may be subject to potential risks and liabilities associated with pollution of the environment and the disposal of waste products that could occur as a result of current or past production, mineral exploration and development.

In addition, other environmental hazards may exist on a property in which the Corporation directly or indirectly holds an interest which are unknown to the Corporation at present and which have been caused by previous or existing owners or operators of the property. Environmental legislation provides for restrictions and prohibitions on spills, releases or emissions of various substances produced in association with certain mining industry operations, such as seepage from tailings disposal areas and dust pollution from current or past processing activities. A breach of such legislation may result in the imposition of fines and penalties.

To the extent the Corporation is subject to environmental liabilities, the payment of such liabilities or the costs that it may incur to remedy environmental pollution would reduce funds otherwise available to it and could have a material adverse effect on the Corporation.

If the Corporation is unable to fully remedy an environmental problem, it might be required to suspend operations or enter into interim compliance measures pending completion of the required remedy. The potential exposure may be significant and could have a material adverse effect on the Corporation.

The Corporation performs regular testing of its critical business environmental factors in order to prevent risk and is subject to regular government inspections. However, those procedures do not eliminate the potential risks.

Additionally, the countries in which the Corporation is present may be subject to regulatory responses to the impact of climate change, which may result in increased costs for the Corporation or for its projects.

Licenses and permits

As part of its ore processing activities, current or future projects, the Corporation is required to obtain several permits. Although the Corporation believes it will obtain the required permits, there is no assurance it will receive such permits or it may face administrative delays in doing so, which could impact its current or future operations.

As at December 31, 2025, the Corporation operated a plant located on land owned by the regional government of Arequipa with a right of use valid until March 23, 2036. Although the Corporation believes it will be able to renew this right of use after March 23, 2036, it may face administrative delays in doing so, which could impact its future operations.

As at December 31, 2025, the Corporation was refurbishing a processing plant located in Southern Ecuador and building a pilot processing plant in Southern Senegal. In both cases, all permits are up to date. Although the Corporation considers it will obtain all necessary future approvals to operate the plants, purchase mineral and sell gold, it may face administrative delays in doing so, which could impact its future operations.

Should the exploration activities of the Corporation be successful, it may not be able to obtain the necessary licenses or permits to conduct or pursue its exploration and mining operations on its properties and thus would realize no benefit from its exploration activities on its properties. As at December 31, 2025, the Corporation is seeking an agreement with local communities to enable it to launch the anticipated drilling campaign on the disseminated portion of the Tumipampa project. Although the Corporation considers it will obtain the required approval, there is a risk that its exploration activities could be further delayed, impacting the value of its exploration properties.

Political, country and exportation risks

The Corporation's operating processing plant and principal mineral property interests are currently located in Peru. The Corporation believes that the Peruvian government supports the development of its natural resources by treating national and foreign companies as equals. However, there is no assurance that current or future political and economic conditions in Peru will not result in the government adopting different policies regarding foreign ownership of mineral resources, tax regime, exchanges rates, environmental protection, labour relations and the repatriation of capital and earnings. The possibility that the current or a future government may adopt extreme policies such as expropriation of assets, cannot be ruled out. The Corporation's processing activities and current and future mineral exploration could be impacted by widespread civil unrest, rebellion and government curfews. Country risk refers to the risk of investing in a country, dependent on changes in the business environment that may adversely affect operating profits or the value of assets in a specific country. For example, financial factors such as currency controls, devaluation or regulatory changes, nationalization, or social stability factors such as mass riots, civil war and other potential events help increase companies' operational risks. It is important to point out that since its operation began in Peru, the Corporation has not suffered from any of these risks.

The Corporation currently exports all its gold production from Peru, on a regular basis. Any control or event which may delay temporarily the Corporation's ability to export its production could have a significant impact of its working capital and financial situation.

The Corporation is currently refurbishing a processing plant in Ecuador and building a pilot plant in Senegal. The risks described for Peru are also applicable for other jurisdictions.

The Corporation is also working on expanding its processing activities in other jurisdictions. The risks described for Peru are also applicable for other jurisdictions.

Supply and quality of feedstock

The Corporation's operations involve the purchase of mineral ore from ASM which it uses to feed the production at its Chala plant in southern Peru. Any increase in the Corporation's production and revenues will notably depend on the availability of the mineral ore supplied by local producers. To mitigate this risk, the Corporation works with several hundreds of suppliers of mineral ore and continues to expand its supplier network in Peru.

As the Corporation does not mine its own ore, it does not have entire control over the volume of mineralized material, ore grade and quality purchased from its suppliers. Therefore, the ore supply can have an impact on the volume of gold produced and gold sales. With the support of its experienced purchasing team located throughout Peru, the Corporation mitigates this risk by working with a minimum cut-off purchase grade and metallurgical testing, when possible, to ensure best efficiency and profitability of its ore processing operations.

The Corporation is actively working on building a network of ore suppliers for its future operations in Ecuador and Senegal. The Corporation's production and revenue in these countries will notably depend on the availability of the ore supplied by local producers.

Water supply

Our operations require significant quantities of water for ore processing and related support facilities. Our operations in Peru may be in areas where water is scarce. Continuous production at our plant site is dependent on our ability to access an adequate water supply. The Corporation has been able to obtain sufficient water supply over the past years for its increasing processing capacity at its Peruvian plant and continues to assess additional future sources if required. Insufficient water supply, as a result of new regulations or otherwise, could materially adversely affect our financial condition and results of operation.

The Corporation's plant in Ecuador previously operated with locally sourced water, and there is a water source on its land in Senegal.

Water supply is a key factor when selecting potential sites for future processing activities.

Labour and employment relations

Dynacor is dependent on its workforce to process its mineralized material. The Corporation has a strong, long-established relationship with its local employees and workforce. However, this current state may not prevent a future strike or work stoppage at its facilities. Labour disruptions could have a material adverse impact on its financial condition and results of operation.

Production and cost estimates

No assurance can be given that the intended or expected production schedules or the estimated cash costs and capital expenditure will be achieved. Failure to achieve production or cost estimates or material increases in costs could have an adverse impact on its future cash flows, profitability, results of operations and financial condition. Many factors may cause delays or cost increases, including the competition (see specific paragraph), labour issues, disruptions in power, transportation or supplies, and mechanical failure. In addition, short-term operating factors, such as the processing of new or different ore material and ore grades, may cause a mining operation to be less profitable in any particular period.

Competition

The Corporation is in competition with other processing companies in Peru. Although the Corporation has been able in the past, to maintain and even increase its market share and build a solid reputation with its suppliers and in its field of operation, there can be no assurance that it will indefinitely retain its position in this market. The Corporation is increasing efforts on the ground to grow its processing business. The Corporation is also in competition with other mining companies for the acquisition of interests in precious and base metal mining exploration properties. In the pursuit of such acquisition opportunities, the Corporation competes with Canadian and foreign companies that may have greater financial and other resources. Although the Corporation has acquired many such assets in the past, there can be no assurance that its acquisition efforts will succeed in the future.

In the new jurisdiction of Ecuador, the Corporation will be in competition with other processors, notably with toll processing plants.

Dependence on management

The success of the operations and activities of the Corporation is dependent to a significant extent on the efforts and abilities of its management team. See "Directors and Officers" for details of the Corporation's current management. The Corporation does not maintain key employee insurance for any of its officers and employees. The Corporation depends on key personnel and cannot provide assurance that it will be able to retain such personnel. Failure to retain such key personnel could have a material adverse effect on the Corporation's business and financial condition.

Insurance risk

The mining industry is subject to significant risks that could result in damage to or destruction of property and facilities, personal injury or death, environmental damage and pollution, delays in production, expropriation of assets and loss of title to mining claims. No assurance can be given that insurance to cover the risks to which the Corporation's activities are subject will be available at all or at commercially reasonable premiums. The Corporation currently maintains available insurance within ranges of coverage that it believes to be consistent with industry practice for companies with comparable activities. The Corporation carries liability insurance with respect to its mineral exploration and industrial operations, but it is not currently covered by any form of environmental liability insurance, since insurance against environmental risks (including liability for pollution) or other hazards resulting from its activities is prohibitively expensive. The payment of any such liabilities would reduce the funds available to the Corporation.

The development of new processing activities in other jurisdictions may also lead to an increased insurance risk as the Corporation could face similar or more important risks than those currently encountered.

Litigation

All industries, including the mining industry, are subject to legal claims, with and without merit. The Corporation may, in the future, be involved in various legal proceedings. While the Corporation believes it is unlikely that the final outcome of these legal proceedings will have a material adverse effect on the financial position or results of operations, defense costs will be incurred, even with respect to claims that have no merit. Due to the inherent uncertainty of the litigation process, there can be no assurance that the resolution of any particular legal proceeding will not have a material adverse effect on the Corporation's future cash flows, results of operations or financial condition.

Anti-corruption laws

The Corporation’s operations are governed by, and involve interactions with, many levels of government in different countries. Its operations take place in jurisdictions ranked unfavorably under Transparency International’s Corruption Perception Index. The Corporation is required to comply with anti-corruption and anti-bribery laws, including the Criminal Code, the Canadian Corruption of Foreign Public Officials Act, as well as similar laws and compliance statements notably in Peru, Ecuador and Senegal where the Corporation conducts the majority of its business.

In recent years, there has been a general increase in both the frequency of enforcement and the severity of penalties under such laws, resulting in greater scrutiny and punishment to companies convicted of violating anticorruption and anti-bribery laws. Furthermore, a company may be found liable for violations by not only its employees, but also by its contractors and third-party agents. Although the Corporation is implementing policies to mitigate such risks, including internal monitoring, reviews and audits, and policies to ensure compliance with such laws, such measures may not assure permanent, and total effectiveness in ensuring that the Corporation, its employees, contractors or third-party agents comply strictly with such laws. If the Corporation finds itself subject to an enforcement action or is found to be in violation of such laws, this may result in significant penalties, fines and/or sanctions imposed on the Corporation resulting in a material adverse effect on the Corporation’s reputation, business, financial condition and results of operations.

Stage of development

Exploration and development projects have no operating history upon which to base estimates of future operating costs and capital requirements. Mining projects frequently require a number of years and significant expenditures during the development phase before production is possible. Development projects are subject to the completion of successful feasibility studies, obtention of necessary governmental permits and securing necessary financing. The economic feasibility of such development projects is based on many factors such as estimation of reserves, metallurgical recoveries, future metal prices, and capital and operating costs of such projects. Exploration and development of mineral deposits thus involve significant financial risks which even a combination of careful evaluation, experience and knowledge may not eliminate. While the discovery of an ore body may result in substantial rewards, few properties which are explored are ultimately developed into producing mines. In fact, a mine must generate sufficient revenues to offset operating and development costs such as the costs required to establish reserves by drilling, to develop metallurgical processes, to construct facilities and to extract and process metals from the ore. At December 31, 2025, the Corporation has no exploration project at the development stage.

Industrial development projects generally have a lower risk level than mining projects but involve certain additional risks, such as access to a network of mineral suppliers and the working capital required for inventory.

Mining industry and mining projects

Although the Corporation is mainly engaged in the processing of ore, it is also subject to risks and hazards inherent to the mining industry, including fluctuations in metal prices, costs of constructing and operating processing and refining facilities in a specific environment, availability of chemical products and economic sources of energy and adequacy of water supply, adequate access to the site, unanticipated transportation costs, delays and repair costs resulting from equipment failure, changes in the regulatory environment (including regulations relating to prices, royalties, duties, taxes, restrictions on production, quotas on exportation of minerals, as well as the costs of protection of the environment and agricultural lands), and industrial accidents and labour actions or unrest. The occurrence of any of these factors could materially and adversely affect the development of a project and, as a result, materially and adversely affect the Corporation’s business, financial condition, results of operations and cash flows.

The Corporation is also subject, through its activities, to risks normally encountered in exploration operations. Blasting, drilling, mining and processing of ore comprise risks and hazards such as environmental hazards, including discharge of pollutants or hazardous chemicals, unanticipated grade and tonnage of ore to be mined and processed, unusual or unexpected adverse geological or geotechnical formation, or unusual or unexpected adverse operating conditions, slope failure, rock bursts, cave-ins, failure of pit walls or dams, fire, and natural phenomena and "acts of God" such as inclement weather conditions, floods, earthquakes and other hazards. These occurrences could result in damage to, or destruction of, mineral properties or production facilities, personal injury or death, environmental damage, delays in mining, monetary losses and possible legal liability. The Corporation may incur liability as a result of pollution and other casualties and may not be able to insure fully or at all against such risks, due to political reasons, unavailability of coverage in the marketplace or other reasons or may decide not to insure against such risks as a result of high premiums or for other reasons. This can result in delayed production, increase in production costs or liability. Paying compensation for obligations resulting from such liability may be very costly and could have an adverse effect on the Corporation’s financial position.

Risks related to statutory and regulatory compliance

Existing and possible future laws, regulations and permits governing operations and activities of ore processing and exploration companies, or more stringent implementation thereof, could have a material adverse impact on the Corporation business and cause increases in capital expenditures or require abandonment or delays in a plant establishment or exploration.

The current and future operations of the Corporation, from processing or from exploration through development activities and commercial production, are and will be governed by applicable laws and regulations governing mineral claims acquisition, prospecting, development, mining, production, exports, taxes, labour standards, occupational health, waste disposal, toxic substances, land use, environmental protection, mine safety and other matters. Companies engaged in exploration activities and in the development and operation of mines and related facilities generally experience increased costs and delays in production and other schedules as a result of the need to comply with applicable laws, regulations and permits.

Failure to comply with applicable laws, regulations and permits may result in enforcement actions there under, including the forfeiture of claims, orders issued by regulatory or judicial authorities requiring operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment or costly remedial actions. The Corporation may be required to compensate those suffering loss or damage by reason of its mineral processing or exploration activities and may have civil or criminal fines or penalties imposed for violations of such laws, regulations and permits. The Corporation is not currently covered by any form of environmental liability insurance. See "Insurance Risk" above.

The Corporation is subject to income taxes and other taxes in foreign jurisdictions. The Corporation's tax structure is subject to review by foreign taxation authorities and affected by a number of factors, some of which are outside of its controls, including different interpretations and constant changes and revisions in the ordinary course. The Corporation's interpretation and the interpretation of its tax advisors or tax experts, applied in accordance to the laws to the Corporation's transactions and activities, may not coincide with the interpretation of the tax authorities. As a result, transactions have been and may, in the future, be challenged by the tax authorities and could result in significant taxes, penalties and interest.

Artisanal mining in Peru is governed by the "REINFO" formalization process managed by the Ministry of Energy and Mines (MEM), which requires miners to enlist on the formalization register. The Corporation has adopted processes to ensure it only purchases ore from miners duly registered in the REINFO process. The deadline for completing the full formalization process has been extended on several occasions and there is no certainty that when expired, Dynacor will be able to engage the number of ASM it had originally targeted.

Ecuador and Senegal are each governed by their own rules. The Corporation is adopting processes similar to those in place in Peru to ensure its future mineral material purchases will only be with from miners duly registered and authorized by local authorities.

The Corporation is currently working on expanding its processing activities in Peru and in other jurisdictions. The risks described for Peru are also applicable for other jurisdictions.

Title risks and mining claims

Although title or rights of use to its exploration and operation properties has been reviewed by or on behalf of the Corporation, no assurance can be given that there are no title defects affecting the properties. Title insurance generally is not available for mining claims, and the Corporation's ability to ensure that it has obtained secure claim to individual mineral properties may be severely constrained. The Corporation has not conducted surveys of all the claims in which it holds direct or indirect interests; therefore, the precise area and location of such claims may be in doubt. Accordingly, the properties may be subject to prior unregistered liens, agreements, transfers or claims, and title may be affected by, among other things, undetected defects. In addition, the Corporation may be unable to conduct work on the properties as permitted or to enforce its rights with respect to its properties. The Corporation has encountered issue with local community to negotiate a reasonable agreement to pursue its exploration program.

Conflict of interests

The Corporation's directors and officers may serve as directors or officers of other resource companies or have significant shareholdings in other resource companies and, to the extent that such other companies may participate in ventures in which the Corporation may participate, the directors of the Corporation may have a conflict of interest in negotiating and concluding terms respecting the extent of such participation. In the event that such a conflict of interest arises at a meeting of the Corporation's directors, a director who has such a conflict will disclose its interests and abstain from voting for or against the approval of such participation or such terms. From time to time, several companies may participate in the acquisition, exploration and development of natural resource properties thereby allowing for their participation in larger programs, permitting involvement in a greater number of programs and reducing financial exposure in respect of any one program. It may also occur that a particular company will assign all or a portion of its interest in a particular program to another of these companies due to the financial position of the company making the assignment. The directors of the Corporation are required to act honestly, in good faith and in the best interests of the Corporation. In determining whether or not the Corporation will participate in a particular program and the interest therein to be acquired by it, the directors will primarily consider the degree of risk to which the Corporation may be exposed and its financial position at that time. As well, a director of the Corporation is an officer of the Corporation largest customer, however he will abstain from voting for or against any decision to be taken with respect to any issues concerning this customer. See "Directors and Officers".

FINANCIAL RISKS

Metal price volatility

Factors beyond the control of the Corporation may affect the marketability of any ore or minerals processed at the Corporation's plant facilities. Resource prices have fluctuated widely, particularly in recent years, and are affected by numerous factors beyond the Corporation's control including international economic and political trends, conflicts, inflation, currency exchange fluctuations, interest rates, global or regional consumption patterns, speculative activities and increased production due to new and improved extraction and production methods. The effect of these factors cannot accurately be predicted.

Gold prices historically have fluctuated widely and are influenced by a number of factors beyond the control or influence of the Corporation. Some factors that affect the price of gold include: industrial and jewelry demand; central bank lending or purchases or sales of gold bullion; forward or short sales of gold by producers and speculators; future level of gold productions; and rapid short-term changes in supply and demand due to speculative or hedging activities by producers, individuals or funds. Gold prices are also affected by macroeconomic factors including: confidence in the global monetary system; expectations of the future rate of inflation; the availability and attractiveness of alternative investment vehicles; the general level of interests rates; the strength of, and confidence in the U.S. dollar, the currency in which the price of gold is generally quoted, and other major currencies; global and regional political or economic events; and costs of production of other gold producing companies whose costs are denominated in currencies other than the U.S. dollar. All of the above factors can, through their interaction, affect the price of gold by increasing or decreasing the demand for or supply of gold.

In its business, the Corporation has a natural hedge against gold price volatility.

Foreign exchange rate fluctuations

The Corporation's activities and offices are currently located in Canada, in Peru, in the near future in Ecuador and Senegal and in due diligence development stage in other jurisdictions. Gold is sold in international markets at prices denominated in U.S. dollars. The functional currency of the Corporation is the U.S. dollar. However, some of the costs associated with the Corporation's activities, such as salaries and income taxes, may be denominated in currencies not directly tied to the U.S. dollar. Any appreciation of these currencies vis-à-vis the U.S. dollar could increase the Corporation's cost of doing business in these countries. In addition, the U.S. dollar is subject to fluctuation in value mainly vis-à-vis the Canadian Dollar, Peruvian Soles and CFA Franc. The Corporation does not utilize hedging programs to mitigate the effect of currency fluctuations.

Access to capital markets and future financing

To fund its future or current growth, the Corporation may be dependent on securing the necessary capital through loans or permanent capital. The availability of this capital is subject to general economic conditions and lender and investor interest in the Corporation’s projects. To ensure the availability of capital, the Corporation maintains an investor relations program in order to inform all shareholders and potential investors of the Corporation’s developments.

The success of current and future ore processing expansion or exploration programs and other transactions related to concessions or other projects could have a significant impact on the need for capital. If Dynacor decides to build processing plants on other jurisdictions, it must ensure that it has access to the required capital. The Corporation could finance its need of capital for investment or working capital by arranging partnerships with other companies, through equity financing, by taking on a line of credit or a long-term debt, by pre-financing its inventory or any combination thereof.

During the first quarter of 2025, the Corporation completed an offering of common shares and intends to use the net proceeds for its development and construction activities, as well as other opportunities in different jurisdictions. However, there is no guarantee that the Corporation will be able to secure any additional financing required to pursue its expansion, exploration programs, and other projects on reasonable terms.

Execution of expansion

The Corporation’s expansion is expected to enhance profitability while reducing geopolitical risk, delivering growth from existing projects, new market entry, and future M&A opportunities. There can be no assurance that the expected benefits will materialize or occur within the time periods anticipated by management. The realization of such benefits may be affected by a number of factors, many of which are beyond its control. The Corporation will incur costs in pursuing any particular opportunity, which may be significant.

Reputational risk

The consequence of reputational risk is a negative impact on the Corporation's public image and could affect its share price, and which could influence its ability to fund acquisition of future projects and retain or attract key employees. Reputational risk may arise under many situations including, among others, cyber-attacks and media crises. Prior to acquiring a project, the Corporation mitigates reputational risk by performing due diligence, which includes a review of the project, the country, the scope of the project, and local laws and culture. Once the decision to participate in a processing project has been taken, the Corporation continues to assess and mitigate reputational risk through regular Board and Board's Committees reviews.

Cybersecurity threats

Our operations depend, in part, on how well we and our suppliers protect networks, technology systems and software against damage from a number of threats, including viruses, security breaches and cyber-attacks. Cybersecurity threats include attempts to gain unauthorized access to data or automated network systems and the manipulation or improper use of information technology systems. The failure of any part of our information technology systems could, depending on the nature of any such failure, materially adversely impact our reputation, financial condition and results of operations. Although we have not to date experienced any material losses relating to cyber-attacks or other information security breaches, there can be no assurance that we will not incur such losses in the future. Our risk and exposure to these matters cannot be fully mitigated because of, among other things, the evolving numbers and nature of these threats.

We are equipped to monitor closely all random attacks. However, as cyber threats continue to evolve, we may be required to expend additional resources to continue to modify or enhance protective measures or to investigate and remediate any system vulnerabilities.

Share price volatility

The securities markets in Canada may experience a high level of price and volume volatility, and the market price of securities of many companies, may experience wide fluctuations which may not necessarily be related to the operating performance, underlying asset values or prospects of such companies. The Corporation's share price exhibits average volatility due to its long track record of growing its operational and financial results.

Unfortunate events such as pandemics, wars, and geopolitical uncertainty may impact stock markets. There can be no assurance that those kinds of events and that continual fluctuations in price will not occur.

Increased costs and compliance risks of being a public corporation

Legal, accounting, and other expenses associated with public company reporting requirements have increased significantly in the past few years. The Corporation anticipates that costs may continue to increase with recently adopted or proposed corporate governance related requirements.

The Corporation also expects these new rules and regulations may make it more difficult and more expensive for it to obtain director and officer liability insurance, and it may be required to accept reduced policy limits and coverage or incur substantially higher costs to obtain the same or similar coverage. As a result, it may be more difficult for the Corporation to attract and retain qualified individuals to serve on its board of directors or as executive officers.

Pandemics

Over the past years, global markets were adversely impacted by the Covid-19 pandemic and could be impacted by other emerging infectious diseases and/or the threat of outbreaks of viruses, other contagions or epidemic diseases in the future.

Dynacor is unable to predict at this time if a different type of virus could have a material impact on its future activities, cash flows and liquidities.

7. DIVIDENDS

The Corporation's dividend policy provides that the amount of cash dividends to be paid, if any, is subject to the sole discretion and the approval of the Board of Directors and may vary given a range of factors such as: (i) the prevailing economic and ore-processing environment; (ii) the Corporation's operational results and net earnings; (iii) the Corporation's financial condition; (iv) capital requirements for the operations and growth of the Corporation; (v) contractual restrictions on its current loan; and (vi) other relevant factors and conditions that may have consequences over time.

In August 2018, the Corporation declared its first quarterly dividend ever, a CA$0.01 per share dividend. Since then, quarterly dividends have been paid regularly, and the amount of the dividend increased to CA$0.015 per quarter in 2019.

In February 2021, the Corporation began declaring and paying monthly dividends of CA$0.005, with the first payment made on February 15, 2021. The monthly dividend was increased to CA$0.0067 in June 2021, to CA$0.0083 in January 2022, to CA$0.01 in January 2023, to CA$0.01167 in January 2024 and to CA$0.01333 in January 2025.

8. SHARE BUYBACK PROGRAM

In 2025, the Corporation repurchased 508,500 common shares for a total cash consideration of $1,703,332 (CA$2,332,528), an average repurchase cost of $3.35 (CA$4.59) per share.

In 2024, the Corporation repurchased 1,244,800 common shares for a total cash consideration of $3,970,236 (CA$ 5,367,288), an average repurchase cost of $3.19 (CA$4.31) per share.

9. CONTINGENCIES

On October 26, 2021, October 28, 2022, December 29, 2022, and August 29, 2025, respectively, one of the Corporation's subsidiary received notices of assessment from the Peruvian tax authorities, in Peruvian Sol, for each of the 2015, 2016, 2017 and 2019 fiscal years for the aggregate amount equivalent to $22.6 million including $16.2 million in penalties and interests. Additional penalties and interests since the notices of assessment are estimated at $2.2 million. The main item of the assessment relates to the ore purchased from certain suppliers, qualified as non-genuine transactions by the local tax authorities and therefore considered by the authorities as non-deductible expenses.

The Corporation and its legal tax counsel strongly believe that ore purchases are genuine and fully supported deductible transactions. Therefore, the Corporation contested these claims.

The Corporation recorded a tax provision related to uncertain tax position for items other than ore purchases, for the amount of $0.8 million (including $0.6 million in penalties and interest). Although the Corporation considers that the judgments and estimates made are reasonable, actual results could differ and resulting adjustments could materially affect the consolidated financial statements.

10. CAPITAL STRUCTURE

The authorized share capital of the Corporation consists of an unlimited number of common shares without par value. There were 41,917,472 common shares issued and outstanding as at December 31, 2025.

The Corporation had also 944,675 options outstanding, at exercise prices ranging from CA$1.75 to CA$5.54 per share, as well as 507,009 deferred share units ("**DSU**") earned by its directors and officers.

The holders of common shares of the Corporation are entitled to one vote per share at all meetings of the shareholders of the Corporation. The holders of common shares have the right to receive dividends if, as and when declared by the board of directors. In the event of the liquidation, dissolution or winding-up of the

Corporation, whether voluntary or involuntary, or any other distribution of its assets among its shareholders for the purpose of winding-up its affairs, the holders of the common shares are entitled to receive the remaining property and assets of the Corporation pro rata according to the number of common shares held.

11. MARKET FOR SECURITIES

TRADING PRICE AND VOLUME

The Corporation's common shares are currently listed and posted for trading on the TSX under the symbol "DNG". The following table shows the price ranges (in Canadian dollars) and volume of the common shares traded during 2025.

Month	Low ($)	High ($)	Volume
January	5.56	6.25	2,143,858
February	5.31	5.81	3,492,334
March	4.68	5.63	3,262,486
April	4.00	5.18	4,143,993
May	4.61	4.99	1,555,274
June	4.33	4.85	3,649,055
July	4.46	4.95	2,583,862
August	4.50	5.21	2,974,473
September	4.37	4.97	3,569,482
October	4.19	4.95	5,016,558
November	4.24	4.90	3,707,939
December	4.41	5.93	4,341,819

12. PRIOR SALES

The following table summarizes the issuances of securities convertible or exercisable for common shares by the Corporation during the most recently completed financial year.

Date of Issue	Number of Securities	Security	Price per Security (CAD $)
February 26, 2025	345,000	Exercise of options	5.54
August 8, 2025	90,000	Exercise of options	5.02
September 29, 2025	58,500	Exercise of options	4.54

13. DIRECTORS AND OFFICERS

The board of directors currently comprises eight directors, each of whom is elected at each annual meeting of shareholders to hold office for one year or until his/her successor is elected or appointed, unless he/she resigns, or his/her office becomes vacant.

The following table provides, as at March 24, 2026, for each director and officer, the name, place of residence, principal occupation during the past five years, year of election or nomination as director or officer of the Corporation, along with the number of common shares owned by them, The directors and officers have provided their respective information.

Name and Place of Residence	Positions Held in the Corporation	Principal Occupation during the Five Preceding Years	Number and Percentage of Common Shares Owned as at March 24, 2026
Jean Martineau Quebec, Canada	President and Chief Executive Officer and Director since 2007	President and Chief Executive Officer of the Corporation	976,746
Pierre Lépine Quebec, Canada	Director since 2014 and Chair of the Board since 2017	CPA, Executive President and co-founder of Groupe ABP, and M&A advisor. Holds the ICD.D designation granted by the Institute of Corporate Directors	245,000
Isabel Rocha (3) Quebec, Canada	Director since 2018	Environmental consultant since 2016	73,725
Réjean Gourde (1) (2) Quebec, Canada	Director since 2018	Independent mining consultant since 2007. Director of G Mining Ventures Corp. since 2024.	92,000
Philippe Chave (3) (4) Malaysia	Director since 2020	Co-CEO of PX Group.	1,770,175
Rocio Rodriguez-Perrot (1) (2) Peru	Director since 2021	Lawyer with the firm Rossello abogados (Peru) legal firm since 2013, providing legal counsel in Peru to foreign investors. Certified board director member of the French Institute of Board Directors (IFA).	60,151
Cyril Gradis (2) (4) Zurich, Switzerland	Director since 2023	Lawyer, MBA. Private equity investor since 10+ years. MD of private investment office.	27,000
Pierre Béliveau (1) Quebec, Canada	Director since 2024	CPA, independent consultant with over 30 years of international experience in the mining field	2,000
Stéphane Lemarié Quebec, Canada	Vice President Finance and Chief Financial Officer since 2025	Chief Financial Officer of the Corporation since May 2025 and previously Director of Financial Information and Controls of the Corporation.	60,100
Daniel Misiano Quebec, Canada	Chief Operating Officer since 2024	Chief Operating Officer of the Corporation since	9,200

Name and Place of Residence	Positions Held in the Corporation	Principal Occupation during the Five Preceding Years	Number and Percentage of Common Shares Owned as at March 24, 2026
		November 2024 and previously President of MBI Global	
René Branchaud Quebec, Canada	Corporate Secretary since 2007	Lawyer, partner at Lavery, de Billy, L.L.P. (a law firm)	162,105

(1) Member of the Audit and Risk Management committee
(2) Member of the Corporate Governance, Nomination and Compensation committee
(3) Member of the Environmental and Social Responsibility committee
(4) Member of the IT and R&D Committee

As of the date hereof, the directors and executive officers of the Corporation and its subsidiaries as a group beneficially own, directly or indirectly, or exercise control or direction over common shares of the Corporation 3,478,202 of the outstanding common shares.

CEASE TRADE ORDERS, BANKRUPTCIES, PENALTIES OR SANCTIONS

Except as disclosed hereinafter, to the Corporation's knowledge, no director or executive officer of the Corporation is, at the date of this AIF, or has been, within 10 years before the date of the AIF, a director, chief executive officer or chief financial officer of any company that, (i) was the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days while that person was acting in that capacity, or (ii) was subject to a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days that was issued after that person cease to act in such capacity but which resulted from an event that occurred while that person was acting in such capacity. To the Corporation's knowledge, no director or executive officer of the Corporation or a shareholder holding a sufficient number of securities of the Corporation to affect materially the control of the Corporation is, at the date of this AIF, or has been, within 10 years before the date of the AIF, a director or executive officer of any company that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

In addition, to the knowledge of the Corporation, no director or executive officer of the Corporation or a shareholder holding a sufficient number of securities of the Corporation to affect materially the control of the Corporation has, within the 10 years before the date of this AIF, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director, executive officer or shareholder.

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

CONFLICTS OF INTEREST

There are potential conflicts of interest to which the directors and officers of the Corporation or its subsidiaries may be subject in connection with the operations of the Corporation or its subsidiaries. Some of the directors and officers are engaged and will continue to be engaged, directly or indirectly, in other businesses and

situations may arise where some of the directors and officers will be in direct competition with the Corporation or its subsidiaries. Conflicts, if any, will be subject to the procedures and remedies under the QBCA. No conflicts of interest currently exist between the Corporation or its subsidiaries and a director or officer of the Corporation or its subsidiaries.

14. AUDIT AND RISK MANAGEMENT COMMITTEE INFORMATION

THE AUDIT AND RISK MANAGEMENT COMMITTEE CHARTER

A copy of the audit committee charter is presented in section 20 of this AIF and is also available on the Corporation's website at www.dynacor.com.

COMPOSITION OF THE AUDIT AND RISK MANAGEMENT COMMITTEE

The following directors are members of the audit and risk management committee:

- Pierre Béliveau, Chair of the committee
- Réjean Gourde
- Rocio Rodriguez-Perrot

Each member of the audit and risk management committee is financially literate and independent as defined in National Instrument 52-110 – *Audit Committees* (for the purposes of Québec, Regulation 52-110 respecting *Audit Committees*) (Regulation "**52-110**").

RELEVANT EDUCATION AND EXPERIENCE

The education and experience of each audit committee member that is relevant to the performance of his responsibilities are as follows:

Pierre Béliveau

Pierre Béliveau CPA began his career at PWC (formerly PW) where he worked with clients in the mining industry. Mr. Béliveau brings over thirty-five years of corporate and senior finance experience with publicly listed mining companies operating internationally. His impressive career also includes 13 years of overseas assignments, including more than ten years in West Africa, where he oversaw the company's financial reporting process and teams, and implemented a governance department, strengthening his skills in financial management and corporate strategy.

Réjean Gourde

Réjean Gourde has over 40 years of operational experience in the mining industry, working for and advising intermediate gold producers. From 1994 to 2006, Mr. Gourde was Senior VP of the Guiana Shield Division at Cambior Inc. and was responsible for the operations of the Omai Gold Mines in Guyana and Rosebel Gold Mines in Suriname. He was President and CEO of Reunion Gold Corporation from 2017 until his retirement in 2021. Mr. Gourde holds a degree in mine engineering from École Polytechnique de Montréal.

Rocio Rodriguez Perrot

Rocio Rodriguez-Perrot is a certified board director and a lawyer with vast experience in providing legal counsel in Peru to foreign investors to ensure proper understanding and compliance of local laws in order to optimize operations in the Peruvian market. Since 2016, she has managed IN Group's Peruvian branch. From 2015 to 2019, she was French Foreign Trade Advisor for the Peru Section. Prior to that, she gained diverse professional experience in Spain and France, across different industries and within companies such as Steria, Kutxa Bank, DS Avocats and Veolia Group.

The members of the Corporation's audit and risk management committee have provided the information disclosed hereinabove.

RELIANCE ON CERTAIN EXEMPTIONS

The Corporation confirms that it has not relied on any exemptions identified in Section 4, 5 or 6 of Regulation 52-110F1 during its most recently completed financial year.

AUDIT AND RISK MANAGEMENT COMMITTEE OVERSIGHT

At no time since the commencement of the Corporation's most recently completed financial year has a recommendation of the audit and risk management committee to nominate or compensate the external auditors not been adopted by the board of directors.

PRE-APPROVAL POLICIES AND PROCEDURES

Any engagement by the Corporation for the engagement of non-audit services by our external auditors has to be presented and pre-approved by the Audit and Risk Management Committee.

EXTERNAL AUDITOR SERVICE FEES

	2025 (CAD $)	2024 (CAD $)
Audit fees[(1)]	233,420	170,377
Audit-related fees	60,000	Nil
Taxation	Nil	Nil
All other fees	Nil	Nil
	293,420	**170,377**

(1) Include the aggregate fees billed by the Corporation's external auditors for audit services provided to the Corporation by a local Peruvian audit firm as well as audit firms in local other jurisdictions, under the supervision of the Corporation's external auditors amounting to approximately CA $ 66,420 in 2025 and CA $ 61,127 in 2024.

15. LEGAL PROCEEDINGS AND REGULATORY ACTIONS

Legal Proceedings

During the fiscal year ended December 31, 2025, a legal demand was filed by a shareholder, before the Superior Court in Montréal, Canada, seeking an external investigation into the Corporation's activities in Peru. Although there is no monetary claim as such, if the request were granted, it would have financial repercussions for the Corporation. The hearing is scheduled for April 29, 2026. A judgment is expected in the weeks following the hearing.

During the fiscal year ended December 31, 2025 and as of the date hereof, there have been no penalties or sanctions imposed against the Corporation (a) by a court relating to securities legislation or by a securities regulatory authority or (b) by a court or regulatory body that would likely be considered important to a reasonable investor making an investment decision in the Corporation.

The Corporation has not entered into any settlement agreements with a court relating to securities legislation or with a securities regulatory authority during the fiscal year ended December 31, 2025 and as of the date hereof.

16. INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

No director, executive officer or principal shareholder of the Corporation, or associate or affiliate of any of the foregoing, has had any material interest, direct or indirect, in any transaction within the preceding three years or in any proposed transaction that has materially affected or will materially affect the Corporation or any subsidiary of the Corporation.

Related party transactions occurred in the normal course of business and were considered nonmaterial by the Corporation.

17. TRANSFER AGENT AND REGISTRAR

The transfer agent and registrar of the Corporation is TSX Trust Company having offices in Montréal and Toronto.

18. MATERIAL CONTRACTS

The Corporation has only one material contract within the meaning of National Instrument 51-102 – Continuous Disclosure Obligations (for the purposes of Québec, Regulation 51-102 respecting Continuous Disclosure Obligations) ("NI 51-102").

The Offtake Agreement entered with an effective date of July 1st, 2022, among the Corporation and its sole customer providing for the purchase of all gold produced by the Corporation has been filed on SEDAR+ at www.sedarplus.com in accordance with the requirements of NI 51-102.

19. INTEREST OF EXPERTS

The following are the names of persons or companies (a) that have prepared or certified a statement, report or valuation described or included in a filing, or referred to in a filing made under NI 51-102 by the Corporation, during, or relating to, the Corporation's most recently completed financial year; and (b) whose profession or business gives authority to the statement, report or valuation made by the person or the Corporation:

(i) Raymond Chabot Grant Thornton LLP, Chartered Professional Accountants, provided an auditor's report dated March 24, 2026, in respect of the Corporation's financial statements for the years ended December 31, 2025 and 2024 and have advised that they are independent with respect to the Corporation within the meaning of the *Code of ethics of chartered professional accountants* (Québec).

(ii) Alain-Jean Beauregard, P.Geol. and Daniel Gaudreault, P. Eng., "Qualified Persons" within the meaning of Regulation 43-101, are co-authors of the geological report entitled "*NI 43-101 Technical Evaluation Report on the Tumipampa Property, province of Abancay, Apurimac Department, Peru*" dated October 28, 2016. The disclosure relating to the Tumipampa property contained in this Annual Information Form is based on this geological report.

To the knowledge of the Corporation, as of the date hereof, each of the experts referred above holds less than 1.0% of any class of outstanding securities of the Corporation or any associate or affiliate of the Corporation (0% for Raymond Chabot Grant Thornton LLP).

20. ADDITIONAL INFORMATION

Additional information relating to the Corporation can be found on SEDAR+ web site at www.sedarplus.com.

Additional information including directors' and officers' remuneration and indebtedness, principal holders of the Corporation's securities and securities authorized for issuance under equity compensation plans, is contained

in the Corporation's management information circular in respect of its most recent annual meeting of shareholders involving the election of directors, available on SEDAR+ at www.sedarplus.com.

Additional financial information is provided in the annual audited financial statements of the Corporation for the year ended December 31, 2025 and the notes thereto and also in management's discussion and analysis for the same period, also available on SEDAR+ web site at www.sedarplus.com.

21. CHARTER OF THE AUDIT AND RISK MANAGEMENT COMMITTEE

The Board of Directors (the "**Board**") of Dynacor Group Inc. ("**Dynacor**" or the "**Corporation**") has established an Audit and Risk Management Committee (the "**Committee**"). The purpose, membership, operations, authority, responsibilities and specific duties of the Committee are described below.

1. PURPOSE

The purpose of the Committee is to assist the Board of Directors:

(i) in its oversight of the Corporation's accounting and financial reporting principles and policies and internal audit controls and procedures;
(ii) in its oversight of the integrity, transparency and quality of the Corporation's financial statements and the independent audit thereof;
(iii) in selecting, evaluating and, where deemed appropriate, replacing the external auditor;
(iv) in evaluating the qualification, independence and performance of the external auditor; and
(v) in its oversight of the Corporation's risk identification, assessment and management mechanism.

The Committee also assists the Board of Directors in fulfilling its continued examination of the Corporation's systems of internal controls, to ensure compliance with laws, regulations and with the Corporation's own code of conduct.

2. MEMBERSHIP AND OPERATIONS

Composition

The Committee shall comprise three or more independent directors, as defined under applicable legislation and stock exchange rules and guidelines, whom shall be appointed (and may be replaced) by the Board.

All members of the Committee shall be financially literate within the meaning of *Regulation 52-110 respecting Audit Committee* ("**Regulation 52-110**") and any other securities legislation and stock exchange rules applicable to the Corporation. At least one member of the Committee shall have experience as a certified public accountant, chief executive officer or corporate controller of similar experience, or demonstrably meaningful experience overseeing such functions as senior executive officers (financial expert).

Determination as to whether a particular director satisfies the requirements for membership of the Committee shall be made by the Board.

The Board shall designate a director as the chair of the Committee. The chair of the Committee shall evaluate the performance of each of the members of the Committee annually and report to the Board on the Committee's discussions and activities on a regular and punctual basis.

If the chair of the Committee cannot attend a meeting, a meeting president will be appointed by the attending members and be responsible for: (i) the preparation of the agenda for the meeting in collaboration with the VP Finance and Chief Financial Officer, (ii) ensuring the effective process of the meeting and (iii) ensuring that the minutes of the meeting are prepared and signed.

The mandate of the members of the Committee shall extend to the next annual meeting of shareholders of the Corporation or until a successor is duly appointed. Any vacancy shall be filled by the Board; though in the

interim period when a vacancy exists, the Committee shall consist of the remaining members as long as there are at least two members.

The remuneration of the chair and of the members of the Committee is set by the Board.

Any member of the Committee may be removed or replaced at any time by the Board and shall automatically cease to be a member of the Committee upon ceasing to be a director of the Corporation.

Meetings and Quorum

The location, date and agenda of the meetings are at the discretion of the Committee, but meetings must be held at least once per quarter.

Proceedings and meetings of the Committee are governed by the provisions of the By-Laws of the Corporation relating to the regulation of the meetings and proceedings of the Board as they are applicable and not inconsistent with this Charter and the other provisions adopted by the Board with respect to committee composition and organization.

The chair of the Committee, a member of the Committee, the external auditor or an officer of the Corporation can convene a meeting of the Committee.

The Committee shall name a secretary for its meetings, whom need not be a member of the Committee, to take the minutes of the meetings, then get them approved, prior to submitting them to the Board.

The quorum at any meeting of the Committee is a majority of members in office. All members of the Committee should strive to attend all meetings either in person or via tele-conference or videoconference.

The external auditor or the Chief Financial Officer can require to be heard by the Committee without the presence of any other officer of the Corporation.

Notwithstanding the foregoing, the Committee can require that all non-members be excluded from all or a specific portion of the Committee's discussions.

The Committee can convene a special meeting of the Board, as circumstances require.

3. AUTHORITY

To perform its role effectively, the Committee is authorized to obtain any information it requires from the officers of the Corporation, from its employees or from external parties; to retain, if needed and at the expense of the Corporation, outside legal or professional counsel and other experts and to ensure the attendance of Corporation's officers at meetings as appropriate.

4. SPECIFIC DUTIES AND RESPONSABILITIES

The specific duties and responsibilities of the Committee are as follows.

Audit

- Recommend the appointment and remuneration of the external auditor to the Board of the Corporation.
- Oversee the work and review the performance of the external auditor and resolve any disagreement between management of the Corporation and the external auditor.
- Review the external auditors' report and recommendations on the internal controls together with management's responses and action plans to be deployed in order to encourage management to implement and to monitor adequate internal control mechanisms.
- Review and approve the proposed annual audit plan of the external auditor, including the proposed budget.

- Pre-approve all permitted non-audit related services to be performed by the external auditor.
- Review and approve the Corporation's hiring policies regarding partners, employees and former partners and employees of the present and former external auditor.
- Review the financial statements, the management's discussion and analysis (MD&A), and the annual and quarterly earnings press releases prior to the Corporation publicly releasing this information.
- Ensure that adequate procedures are in place for the review of the Corporation's public disclosure of financial information extracted or derived from the Corporation's financial statements and, from time to time, review the adequacy of these procedures.
- Establish procedures for:
  - (i) the receipt, the retention and the treatment of complaints received by the Corporation regarding financial statement disclosure, accounting, internal accounting controls or auditing matters; and
  - (ii) the confidential or anonymous submission, by the employees of the Corporation, of concerns regarding questionable or auditing matters.
- Monitor any such complaints and submissions regarding financial statement disclosure, accounting, internal accounting controls or auditing matters, and discuss any issues with management.
- Review the financial statements and the accompanying notes to the financial statements and obtain explanations from the officers regarding:
  - (i) any significant variances in the current reporting period;
  - (ii) any complex or unusual transactions; and
  - (iii) any related party transactions.
- Review the accounting principles used by the Corporation to ensure that they are in accordance with IFRS regarding the presentation of financial information, and resolve any potential disagreement between management and the external auditor regarding the presentation of financial information.
- Review and make recommendations to the Board with respect to the approval of financial statements, annual information forms, prospectuses, MD&A, annual and quarterly earnings press releases and all other related documents.

Risk Management

- Assist the Board in setting the risk tolerance for the business and satisfy itself that the Corporation operates with due regard to that risk tolerance.
- Form an opinion on the adequacy and effectiveness of the Corporation's process of identifying and assessing areas of potential material risk, as well as the monitoring and controlling of identified material risks.
- Review reports from management on new and emerging sources of risk and the risk controls and mitigation measures that management has put in place to manage those risks.
- Compare the Corporation's material risk assessment and risk profile with its policies and risk tolerance and ensure that identified material risks are reduced to or managed at levels determined to be acceptable by the Board.
- Review and assess any breaches of risk controls or risk policies and ensure these breaches are appropriately mitigated or remedied by management.
- Make recommendations arising from the above reviews, for consideration by the Board, in relation to changes to the risk management framework or risk tolerance.
- Review, at least annually, and oversee management's performance against the Corporation's risk management framework, to satisfy itself that it continues to be sound and that the Corporation is operating with due regard to the risk tolerance set by the Board.
- Review the disclosure, in relation to each reporting period, of whether this review has taken place.
- Review and monitor compliance with the Corporation's policies and review any material incidents or breaches reported to the Committee under those policies.
- Request and monitor investigations into areas of risk, breaches of risk management policies and procedures and failures in internal control.
- Review and oversee the Corporation's tax control framework.
- Review and evaluate the structure and adequacy of the Corporation insurance program.

- Review the Corporation's corporate report disclosures, including statutory financial reporting, performance against the risk management framework and reporting on material environmental, social and governance matters, for recommendation to the Board.
- Consider and review the preparation of any report or other disclosures to be included in the corporate report or other communications to security holders relating to the external auditor and to risk and risk management
-
- . The Committee will address any other subject within the broad responsibility of the Committee as determined by the Chair of the Committee, and exercise such other powers and perform such other duties and responsibilities as are incidental to the purposes, duties and responsibilities specified herein and as may from time to time be delegated to the Committee by the Board.

5. REPORTING

The Committee periodically reports to the Board on its activities and presents the minutes of all its meetings.

The Committee presents to the Board a summary of the main risks to which the Corporation is exposed, at least annually.

6. CHARTER

The Committee shall undertake an evaluation of its performance and effectiveness annually, or as otherwise determined by the Committee, and when considered appropriate the Committee will review its membership and make recommendations to the Board.

The Committee shall also review and assess annually, or as otherwise determined by the Committee, the adequacy of this Charter and recommend any changes to the Board for approval.