

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE THREE MONTHS ENDED DECEMBER 31, 2023**

**Introduction**

*The present management's discussion and analysis ("MD&A") of results of operations and financial condition of Orvana Minerals Corp. and its consolidated subsidiaries ("Orvana" or the "Company") describes the operating and financial results of Orvana for the three months ended December 31, 2023 ("Q1 FY2024 or the first quarter of fiscal 2024").*

*This MD&A should be read in conjunction with the unaudited condensed interim financial statements of Orvana for the three months ended December 31, 2023 and related notes thereto (the "Q1 Financials"). The Q1 Financials are prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards").*

*References herein to "\$" are to the United States dollar, and all tabular amounts (except per unit amounts) are expressed in thousands of \$, unless otherwise stated. Gold ("Au") and Silver ("Ag") production and sales are in fine troy ounces ("ounces" or "oz"), while Copper ("Cu") is in pounds ("lbs"). Information presented in this MD&A is as of February 14, 2024, unless otherwise stated.*

*Gold Equivalent Ounces (GEO), Free Cash Flow, EBITDA, Cash Costs per ounce (COC), All-in Sustaining Costs (AISC) per ounce, and Realized Price are Non-GAAP Financial Performance Measures. The Non-GAAP financial performance measures set out in this MD&A are intended to provide additional information to investors and do not have any standardized meaning under IFRS, and therefore may not be comparable to other issuers, and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. For further information and detailed reconciliations, please see the "Non-GAAP Financial Performance Measures" section of this MD&A.*

*A cautionary note regarding forward-looking statements follows this MD&A.*

**Company Overview**

Orvana is an Ontario registered company and its common shares ("Common Shares") are listed on the Toronto Stock Exchange (TSX) under the symbol **ORV**.

Orvana is a gold-copper-silver producer. Its strategic focus is on initiatives and opportunities that deliver long-term shareholder value. In that regard, Orvana is currently working to optimize its properties, reduce its unitary operating costs and realize growth in its future production base through exploration within, and in proximity, to its properties.

Orvana's properties consist of:

- (i) El Valle Boinás and Carlés mines and the El Valle processing plant (collectively, "El Valle"), producer of copper concentrate and doré. El Valle is located in Asturias, Northern Spain, and is held and managed by its subsidiary Orovalle Minerals, S.L. ("Orovalle"), that, in addition to El Valle, owns certain mineral rights located in the region of Asturias;
- (ii) Don Mario Operation ("Don Mario"), located in San Jose de Chiquitos, Southeastern Bolivia, consisting of 10 contiguous mineral concessions covering approximately 53,325 ha and the processing plant, currently in care and maintenance. Don Mario is held and managed by the Company's subsidiary Empresa Minera Paitití, S.A. ("EMIPA"); and
- (iii) Taguas Property ("Taguas"), comprised of 15 mining concessions for a total of 3,273.87 ha, located on the eastern flank of the Andes Mountain range in the Province of San Juan

in northern Argentina. Taguas is held and managed by the Company's subsidiary Orvana Argentina, S.A. ("Orvana Argentina").

Orovalle, in Spain, is currently the only producing unit. The Company continues to invest to extend the El Valle life through infill and brownfield drilling campaigns, and, at the same time, different initiatives are in progress to increase operational efficiencies and reduce costs. Orovalle is the main player in metal mining in the northern part of Spain, with a portfolio of approximately 45,150 ha of mining rights in the province of Asturias. Main targets out of El Valle are Ortosa-Godán and Lidia.

The Company expects to have a second business unit in production in fiscal 2025, by restarting production at Don Mario in Bolivia. The plan is to expand the Don Mario Plant to treat the oxides stockpile accumulated in previous years of mining activity. The Company expects to start the 13-month construction of the plant expansion in the first half of calendar 2024, subject to the completion of sufficient financing. Once the plant expansion is completed, 35 months of processing of stockpile material are expected. The Company is also evaluating the potential reprocessing of tailings accumulated in the Don Mario Tailings Storage Facility. Processing the oxides stockpile, plus the tailings reprocessing could add 6-7-year of mine life to Don Mario, allowing for exploration opportunities. EMIPA has a package of exploration lands of approximately 53,325 ha around the Don Mario Operation.

At Taguas, the long term future, Orvana is repositioning its strategy. The Company had been focused on the oxides portion of the property, but it is reconsidering the strategy, now potentially including sulphides resources, plus deep copper-gold porphyry opportunities.

### Selected Financial Information

		Quarters ended		Variance %	Quarter ended
		December 31, 2023	September 30, 2023		December 31, 2022
GEO <sup>1</sup>		9,550	15,567	(39%)	13,815
Consolidated Financial Performance (in 000's)					
	Revenue	20,124	29,842	(33%)	22,978
	Mining costs	17,927	19,542	(8%)	18,840
	Comprehensive (loss) income	(5,934)	2,406	(347%)	971
	EBITDA <sup>1</sup>	47	10,002	(100%)	2,736
	Cash provided by operating activities	1,208	4,107	(71%)	2,648
	Capital expenditures (cash basis)	2,472	2,106	17%	3,087
	Cash (used in) provided by financing activities	(1,631)	(2,743)	(41%)	(3,136)
	Total assets	113,635	123,249	(8%)	129,260
	Current liabilities	36,364	38,430	(5%)	39,946
	Non-current liabilities	26,646	28,260	(6%)	34,161
Orovalle	COC <sup>1</sup> (\$/oz)	1,702	1,099	55%	1,309
	AISC <sup>1</sup> (\$/oz)	1,893	1,380	37%	1,598
Consolidated	COC <sup>1</sup> (\$/oz)	1,785	1,152	55%	1,388
	AISC <sup>1</sup> (\$/oz)	2,153	1,407	53%	1,790

<sup>1</sup> GEO, EBITDA, COC and AISC per ounce are Non-GAAP Financial Performance Measures. For further information and detailed reconciliations, please see the "Non-GAAP Financial Performance Measures" section of this MD&A.

## Highlights for the first quarter of Fiscal 2024:

### Orovalle:

- In January 2024, Orovalle successfully concluded negotiations regarding basic terms of its 2023-2025 Collective Bargain Agreement (“CBA”), which were ratified by workers’ assemblies. The period of validity of the 2019-2022 Collective Agreement of Orovalle ended in December 2022, and has been extended until the new CBA is finalized. Upon agreement to the basic terms of the new CBA, the 3-hour stoppages per shift strike that had commenced in mid November 2023 were halted, and labour attendance and operational conditions were returned back to normal. Highlights of the basic terms agreed:
  - Salary increases:
    - Fixed: 4% in 2023, 3% in 2024 and 3% in 2025;
    - Variable: maximum 1% annual, linked to inflation and time worked.
  - Implementation of alcohol and drugs testing.
  - New procedures to manage work leaves, in order to mitigate operational impacts.
- As a consequence of this non-recurrent event, Orovalle’s performance has been negatively impacted, and the tonnage mined and milled was below the plan for the quarter. Q1 FY2024 throughput of 130,267 tonnes was 31% lower than the previous quarter.
- Production of 9,550 gold equivalent ounces<sup>1</sup> (7,994 gold ounces, 0.7 million copper pounds and 20,393 silver ounces) was 39% lower when compared to 15,567 gold equivalent ounces<sup>1</sup> (“GEO”) in the previous quarter. The main cause of the lower metal production was the lower throughput.
- 2,659 meters drilled at El Valle Boinas (2,355 infill meters and 304 brownfield meters), 61 meters of greenfield drilling at Ortosa-Godán and 384 meters of greenfield drilling at Lidia. Key intercepts in South Boinas as follows:
  - DDH 23SB162: 6.10 m @ 12.18 g/t Au
  - DDH 23SB163: 3.00 m @ 14.82 g/t Au and 4.35 m @ 5.38 g/t Au
  - DDH 23SB169: 5.10 m @ 21.40 g/t Au
  - DDH 23SB171: 2.40 m @ 16.17 g/t Au
- The Annual Information Form of the Company for the fiscal year ended September 30, 2023 (the “FY2023 AIF”) was filed on December 20, 2023, including Mineral Resource and Reserves estimates for Orovalle with an effective date of September 30, 2023. The FY2023 AIF includes the latest production schedule produced by Orovalle based upon the estimated Mineral Reserves. The schedule includes oxides and skarns ore mined from both the Boinás and Carlés underground mines at an average rate of 595,000 tpa for a period of 4 years. The FY2023 AIF can be found on the Company’s website at [www.orvana.com](http://www.orvana.com) and by reviewing its profile on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).

### EMIPA:

- Orvana is focused on restarting production at Don Mario. The Oxides Stockpile Project (the “OSP”), consisting of a plant expansion to treat ore stockpiled in the Don Mario Operation from previous years of mining activity, is projected to operate for 35 months, starting after a 13-month construction period that the Company expects to start in the first half of calendar 2024, subject to the completion of sufficient financing.
- In November 2023, the Autoridad de Supervisión del Sistema Financiero (ASFI), the Bolivian Financial Supervisory Authority, approved EMIPA’s proposed \$47 million Bond Program to be offered in the Bolivian stock market (the “Bond Program”). Previously, in September 2023, EMIPA received ASFI approval of its registration as an eligible Bond Issuer in the Bolivian stock market.
- The proposed OSP financing structure includes:
  - \$47 million Bonds Program, as the structure core, for CAPEX ;

<sup>1</sup> GEO is a Non-GAAP Financial Performance Measure. For further information and detailed reconciliations, please see the “Non-GAAP Financial Performance Measures” section of this MD&A.

- \$3 million Bank Debt: during the fourth quarter of fiscal 2023 EMIPA secured a financing line with Banco FIE in Bolivia and \$1.5 million of that line were withdrawn during that quarter; and
  - \$33 million working capital facility during construction and ramp-up phases. During Q1 FY2024 the Company continued exploring different potential financing sources, including without limitation, equity at the EMIPA's level and a prepayment facility.
- EMIPA expects to commence the bonds offering in Bolivia in the next few weeks, the closing of which would be conditional upon securing the remaining of the OSP financing structure as summarized above.

#### Orvana Argentina:

- Orvana is analyzing a strategic option to combine oxides and sulphides in a larger undertaking strategy at Taguas. During Q1 FY2024 the Company continued working on enhancing the analytics of the sulphides zone of the deposit, and a new geological modeling is in progress. Next steps would include spectral analysis campaign to improve alteration types definition, and geo-metallurgical tests with oxide and sulphide ores. Once the oxides – sulphides combined opportunity is understood, next steps for the project will be determined.

### Consolidated Results

	Q1 2024	Q4 2023	Q1 2023	FY 2023
<b>Operating Performance</b>				
<i>Gold</i>				
Production (oz)	7,994	12,427	10,711	46,259
Sales (oz)	9,233	13,754	10,799	45,538
Average realized price / oz <sup>(1)</sup>	\$1,974	\$1,920	\$1,722	\$1,882
<i>Copper</i>				
Production ('000 lbs)	702	1,356	1,216	4,518
Sales ('000 lbs)	770	1,464	1,227	4,559
Average realized price / lb <sup>(1)</sup>	\$3.69	\$3.79	\$3.62	\$3.83
<i>Silver</i>				
Production (oz)	20,393	38,861	44,903	144,729
Sales (oz)	22,021	42,331	43,755	152,867
Average realized price / oz <sup>(1)</sup>	\$23.24	\$23.42	\$20.86	\$22.66
<b>Financial Performance (in 000's, except per share amounts)</b>				
Revenue	\$20,124	\$29,842	\$22,978	\$99,122
Mining costs	\$17,927	\$19,542	\$18,840	\$74,867
Gross margin	(\$2,015)	\$4,683	\$675	\$6,725
Net income (loss)	(\$7,202)	\$3,135	\$134	\$2,708
Net income (loss) per share (basic/diluted)	(\$0.05)	\$0.02	\$0.00	\$0.02
EBITDA <sup>(1)</sup>	\$47	\$10,002	\$2,736	\$21,652
Operating cash flows before non-cash working capital changes	\$1,208	\$4,107	\$2,648	\$16,291
Operating cash flows	(\$210)	\$7,412	\$3,687	\$21,037
Free cash flow <sup>(1)</sup>	(\$1,264)	\$2,001	(\$439)	\$4,625
Ending cash and cash equivalents	\$3,859	\$8,329	\$4,214	\$8,329
Capital expenditures <sup>(2)</sup>	\$2,472	\$2,106	\$3,087	\$11,666
COC (by-product) (\$/oz) gold <sup>(1)(3)</sup>	\$1,785	\$1,152	\$1,388	\$1,366
AISC (by-product) (\$/oz) gold <sup>(1)(2)(3)</sup>	\$2,153	\$1,407	\$1,790	\$1,699

- (1) Further information on these non-GAAP financial performance measures, including detailed reconciliations, is included in the "Non- GAAP Financial Performance Measures" section.
- (2) These amounts are presented in the consolidated cash flows in the Financials on a cash basis. Each reported period excludes capital expenditures incurred in the period which will be paid in subsequent periods and includes capital expenditures incurred in prior periods and paid for in the applicable reporting period. See the "Cash Flows, Commitments Liquidity and Contingencies" section of this MD&A. The calculation of AISC includes capex incurred (paid and unpaid) during the period.
- (3) Unitary costs do not include one-time costs nor one-time severance charges.

## Operational Results

- Consolidated production of 9,550 GEO<sup>1</sup> during first quarter of fiscal 2024, compared with 15,567 during the fourth quarter of fiscal 2023. Since the first quarter of fiscal 2020, EMIPA is in care and maintenance, and Orovalle is the only unit in production.
- Gold production of 7,994 ounces during first quarter of fiscal 2024, a decrease of 36% compared to the fourth quarter of fiscal 2023, due to 31% lower throughput and 7% lower head grade.
- Production of 0.7 million pounds (318 tonnes) of copper, a decrease of 48% compared with the fourth quarter of fiscal 2023, due to 31% lower throughput, 20% lower head grade and 6% lower recovery.
- Silver production of 20,393 ounces during first quarter of fiscal 2024, a decrease of 48% compared to the fourth quarter of fiscal 2023, due to 31% lower throughput, 19% lower head grade and 5% lower recovery.
- Sales of 9,233 ounces of gold, 0.8 million pounds (349 tonnes) of copper and 22,021 ounces of silver during the first quarter of fiscal 2024, a decrease in gold sales of 33%, in copper sales of 47%, and silver sales of 48%, compared with the fourth quarter of fiscal 2023.
- Production of 9,550 GEO<sup>1</sup> during the first quarter of fiscal 2024, compared with 13,815 during the first quarter of fiscal 2023.
- Production of 7,994 ounces of gold during the first quarter of fiscal 2024, a decrease in gold production of 25% compared with the first quarter of fiscal 2023.
- Production of 0.7 million pounds (318 tonnes) of copper during the first quarter of fiscal 2024, a decrease in copper production of 42% compared with the first quarter of fiscal 2023.
- Production of 20,393 ounces of silver during the first quarter of fiscal 2024, a decrease in silver production of 55% compared with the first quarter of fiscal 2023.
- Sales of 9,233 ounces of gold, 0.8 million pounds (349 tonnes) of copper and 22,021 ounces of silver during the first quarter of fiscal 2024, a decrease in gold sales of 15%, in silver sales of 50%, and in copper sales of 37%, compared with the first quarter of fiscal 2023.

## Financial Results

- Consolidated cash and cash equivalents were \$3.9 million as at December 31, 2023, a decrease of \$4.5 million from September 30, 2023.
- Net Revenue of \$20.1 million for the first quarter of fiscal 2024, or 33% lower, compared with \$29.8 million for the fourth quarter of fiscal 2023, due to the lower metal production caused by the strike during Q1 FY2024, partially offset by higher gold price.
- Mining costs of \$17.9 million for the first quarter of fiscal 2024, or 8% lower, compared with \$19.5 million for the fourth quarter of fiscal 2023 primarily due to lower tonnage mined and milled.
- Deferred income tax expense increased by \$2.9 million to \$2.9 million for the first quarter of fiscal 2024 compared with \$0.01 million for the fourth quarter of fiscal 2023, due to the reversal in Q1 FY2024 of temporary differences in the Bolivian subsidiary.
- Net loss for the first quarter of fiscal 2024 of \$7.2 million compared with net income of \$3.1 million for the fourth quarter of fiscal 2023.
- EBITDA<sup>1</sup> for the first quarter of fiscal 2024 of \$0.05 million compared with \$10 million for the fourth quarter of fiscal 2023.

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<sup>1</sup> GEO, and EBITDA are Non-GAAP Financial Performance Measures. For further information and detailed reconciliations, please see the "Non-GAAP Financial Performance Measures" section of this MD&A.

- Cash flows used in operating activities of \$0.2 million for the first quarter of fiscal 2024, compared with \$7.4 million provided for the fourth quarter of fiscal 2023 and cash flows provided by operating activities before changes in non-cash working capital of \$1.2 million in the first quarter of fiscal 2024, compared with \$4.1 million in the fourth quarter of fiscal 2023.
- Free Cash Flow<sup>1</sup> deficit of \$1.3 million in the first quarter of fiscal 2024 compared with a surplus of \$2 million in the fourth quarter of fiscal 2023.
- Capital expenditures of \$2.5 million for the first quarter of fiscal 2024 compared with \$2.1 million for the fourth quarter of fiscal 2023.
- COC<sup>1</sup> and AISC<sup>1</sup> on a by-product basis (net of copper and silver by-product revenue) per ounce of gold sold for the first quarter of fiscal 2024 of \$1,785 and \$2,153, respectively, compared with COC<sup>1</sup> and AISC<sup>1</sup> (by-product) of \$1,152 and \$1,407, respectively, for the fourth quarter of fiscal 2023. The increase in COC<sup>1</sup> and AISC<sup>1</sup> was primarily due lower production and sale volume of all metals during the labour strike.
- Net revenue of \$20.1 million for the first quarter of fiscal 2024, or 12% lower, compared with \$23.0 million for the first quarter of fiscal 2023, primarily due to lower gold, copper and silver production and sales.
- Mining costs of \$17.9 million for first quarter of fiscal 2024, or 5% lower, compared with \$18.8 million for the first quarter of fiscal 2023, primarily due to lower tonnage mined and milled, partially off-set by an unfavorable EUR/USD exchange rate (1.07 in Q1 FY2024, and 1.00 in Q1 FY2023).
- Deferred income tax expense increased by \$4.1 million to \$2.9 million for the first quarter of fiscal 2024 compared with (\$1.2) million for the first quarter of fiscal 2023, due to the reversal in Q1 FY2024 of temporary differences in the Bolivian subsidiary.
- Net loss for the first quarter of fiscal 2024 of \$7.2 million compared with net income of \$0.1 million for the first quarter of fiscal 2023.
- EBITDA<sup>1</sup> for the first quarter of fiscal 2024 of \$0.05 million compared with \$2.7 million for the first quarter of fiscal 2023.
- Cash flows used in operating activities of \$0.2 million in the first quarter of fiscal 2024, compared with \$3.7 million provided in the first quarter of fiscal 2023 and cash flows provided by operating activities before changes in non-cash working capital of \$1.2 million in the first quarter of fiscal 2024, compared with \$2.6 million in the first quarter of fiscal 2023.
- Free Cash Flow<sup>1</sup> deficit of \$1.3 million in the first quarter of fiscal 2024 compared with a deficit of \$0.4 million in the first quarter of fiscal 2023.
- Capital expenditures of \$2.5 million in the first quarter of fiscal 2024 compared with \$3.1 million in the first quarter of fiscal 2023.
- COC<sup>1</sup> and AISC<sup>1</sup> on a by-product basis (net of copper and silver by-product revenue) per ounce of gold sold in the first quarter of fiscal 2023 of \$1,785 and \$2,153, respectively, compared with COC<sup>1</sup> and AISC<sup>1</sup> (by-product) of \$1,388 and \$1,790, respectively, in the first quarter of fiscal 2023. The increase in COC<sup>1</sup> and AISC<sup>1</sup> was mainly due to lower production and sale volume of all metals during the labour strike and an un-favorable EUR/USD exchange rate.

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<sup>1</sup> GEO, Free Cash Flow, EBITDA, COC and AISC are Non-GAAP Financial Performance Measures. For further information and detailed reconciliations, please see the "Non-GAAP Financial Performance Measures" section of this MD&A.



## Growth Initiatives Highlights

### Orovalle

- A total of 2,659 meters were drilled in the first quarter of fiscal 2024 at El Valle (2,355 infill meters and 304 brownfield meters).
- Ongoing infill drilling program at El Valle Boinás is currently focused on Boinás South resources conversion.
- Orovalle has a large regional exploration footprint of 45,150 ha, which includes concessions and investigation permits, few of which are still in progress. Strategic near-term regional targets and main activities in progress are:
  - Ortosa-Godán: This Project is located three kilometers northwest of our Carlés mine, and within the same gold belt. The exploration program is focused on two areas: Ortosa and Godán. In both cases, the mineral potential is in relation to intrusives. A drilling program was executed in Godán from November 2022 to October 2023 totalling 2,544 meters in 8 drill holes. The drilling campaign proved the presence of mineralization in the contact between the intrusive and sedimentary rocks with calcic skarn bands dipping 60-70° ESE over 200 meters of strike potential. According to current drilling information and based on the dip and mineralization of the skarn, there is a potential connection with Carlés skarn. Next steps are currently under reassessment.
  - Lidia: This Project is located in Navelgas Gold Belt, 20 km west from El Valle mine. This gold porphyry occurs within the easternmost part of Navelgas fracture systems. A granodiorite intrusive outcrops over an area of approximately 1 km<sup>2</sup>. It is dissected by a set of northeast trending mineralized quartz veins and affected by different alteration phases. The drilling program completed between fiscal years 2021-2022 confirmed the presence of gold in the granodiorite (see news release April 17, 2023). Two drill holes were completed in the first quarter of fiscal 2024 targeting to define mineralization in the North part of the orebody. Upon reviewing the drilling results from the first quarter of fiscal 2024 campaign, it is evident that the boundary of mineralization to the north is well-defined, while remaining open to the south and at depth. The strategy in the area will be redefined to target higher-grade zones based on the available drillhole information.
  - Palmira (Oscos Gold Belt): Detail mapping and rock sampling were executed in first half fiscal 2023. Geochemistry soil and petrophysical studies are planned in fiscal 2024.
  - Navelgas Gold Belt Permits: Geochemistry soil campaign is in progress in Chugaron and La Linde Investigation Permits, expected to be completed along the second quarter to evaluate next works based on the assay information. Detail mapping with outcrop sampling is in progress in Piornal and Goya investigation Permits (both permits located at the South of Navelgas Gold Belt).

### EMIPA

EMIPA has a 53,325 ha exploration Land Package around the Don Mario Operation. A variety of Greenfield targets are being explored looking for potential future satellite deposits. The Company has reviewed 30 years of historical exploration data of the area, and it is currently prioritizing exploration targets applying latest technologies to the historical data.

### Orvana Argentina

Orvana's strategy in the Taguas project had been focused on the oxides portion of the property. In light of the global developments, the Company is currently analyzing a strategic option to combine oxides and sulphides in a larger undertaking strategy. Once the oxides – sulphides combined opportunity is understood, the next steps for the property will be determined.

## Outlook

The Company continues to pursue its objectives of optimizing production, lowering unitary cash costs<sup>1</sup>, maximizing Free Cash Flow<sup>1</sup>, and extending the life-of-mine of its operations under a long term operational strategy. Main objectives per unit are:

- **Orovalle:** Stable cash flow generation based on the metal production guidance. Continue brownfield and Greenfield exploration drive to expand the resource base.
- **EMIPA:** Subject to obtaining sufficient funding, EMIPA expects OSP construction to start in the first half of 2024. OSP is projected to operate for 35 months, starting after a 13-month construction period.
- **Orvana Argentina:** In light of global developments and the current business environment, Orvana is repositioning its long term strategy for the Taguas Project, now potentially including current sulphides resources, plus deep copper-gold porphyry opportunities.

The mining industry is being impacted by significant social and economic uncertainties that could impact the performance of our sites (refer to section “Financial and other risks and uncertainties” for further details).

## Guidance

The following table sets out Orovalle’s first quarter of fiscal 2024 results and fiscal 2024 production, capital expenditures and costs guidance:

Orovalle	Q1 FY 2024 Actual	FY 2024 Guidance <sup>(1)</sup>
<b>Metal Production</b>		
Gold (oz)	7,994	41,000 – 45,000
Copper (million lbs)	0.7	3.3 – 3.7
<b>Capital Expenditures (USD thousands)</b>	<b>\$1,179</b>	<b>\$16,000 - \$18,000</b>
<b>Cash operating costs (by-product) (\$/oz) gold <sup>(1) (2)</sup></b>	<b>\$1,702</b>	<b>\$1,300 - \$1,400</b>
<b>All-in sustaining costs (by-product) (\$/oz) gold <sup>(1) (2)</sup></b>	<b>\$1,893</b>	<b>\$1,700 - \$1,850</b>

(1) Further information on these non-GAAP financial performance measures, is included in the “Non- GAAP Financial Performance Measures” section.

(2) Fiscal 2024 guidance assumptions for COC and AISC include by-product commodity prices of \$3.75 per pound of copper and an average Euro to US Dollar exchange of 1.12.

As a result of the strikes that started mid-November, first quarter production was below the plan for the quarter. Orovalle is currently re-assessing production estimates for the fiscal year, targeting to reach the lower end of the 2024 production guidance. At the same time, the Company continues working on the operational efficiencies planned for the year. Capital expenditures and unitary costs guidance will be re-assessed at the end of the second quarter, once the rescheduling of the fiscal 2024 production is completed and the implementation of operational efficiencies advances.

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<sup>1</sup> Free Cash Flow and unitary cash costs are Non-GAAP Financial Performance Measures. For further information and detailed reconciliations, please see the “Non-GAAP Financial Performance Measures” section of this MD&A.



## Overall Performance

The key factors affecting Orvana's operating and financial performance are tonnages mined and treated, metal grade and recoveries, quantities of metals produced and sold, realized metals prices, operating costs (including labour, energy, materials & supplies and services), royalties, mine development and other capital expenditures, maintenance and care costs, foreign exchange rates and tax rates.

### First Quarter Ended December 31, 2023 Compared with First Quarter Ended December 31, 2022

The Company recorded a net loss of \$7.2 million for the first quarter of fiscal 2024 or \$0.05 per share compared with \$0.1 million net income for the first quarter of fiscal 2023 or \$0.00 per share. The Company's net loss was impacted significantly by the following factors:

- Revenue for the first quarter of fiscal 2024 decreased by \$2.9 million or 12% to \$20.1 million from sales of 9,233 ounces of gold, \$0.8 million pounds of copper, and 22,021 ounces of silver compared with revenue of \$23.0 million from sales of 10,799 ounces of gold, 1.2 million pounds of copper, and 43,755 ounces of silver. The decrease in revenue was primarily due to lower gold, copper and silver sales volume.
- Mining costs were \$17.9 million or \$0.9 million lower for the first quarter of fiscal 2024 compared with \$18.8 million for the first quarter of fiscal 2023 primarily due to lower tonnage mined and milled, partially off-set by an unfavorable EUR/USD exchange (1.07 in Q1 FY2024, and 1.00 in Q1 FY2023).
- Depreciation for the first quarter of fiscal 2024 was \$4.2 million, compared with \$3.5 in the first quarter of fiscal 2023.
- Gross margin decreased by \$2.7 million from \$0.7 million for the first quarter of fiscal 2023 to negative \$2.0 million for the first quarter of fiscal 2024.
- EBITDA<sup>1</sup> decreased by \$2.7 million to \$0.05 million for the first quarter of fiscal 2024 compared with \$2.7 million for the first quarter of fiscal 2023.
- Current income tax expense decreased to \$0.3 million for the first quarter of fiscal 2024 compared with \$nil for first quarter of fiscal 2023.
- Deferred income tax expense increased by \$4.1 million to \$2.9 million for the first quarter of fiscal 2024 compared with a tax recovery of \$1.2 million for the first quarter of fiscal 2023.
- Total consolidated COC<sup>1</sup> (by-product) of \$1,785 per ounce of gold sold in the first quarter of fiscal 2024 were \$397 or 29% higher than in the first quarter of fiscal 2023. Total AISC<sup>1</sup> (by-product) of \$2,153 per ounce of gold sold in the first quarter of fiscal 2024 were \$363 or 20% higher than in the first quarter of fiscal 2023. COC<sup>1</sup> and AISC<sup>1</sup> were negatively impacted by lower production and sales volume of all products during the labour strike and an un-favorable EUR/USD exchange rate. AISC<sup>1</sup> was positively impacted by lower capital expenditures in the first quarter of fiscal 2024.

### First Quarter Ended December 31, 2023 Compared with Fourth Quarter Ended September 30, 2023

The Company recorded a loss of \$7.2 million or \$0.05 per share for the first quarter of fiscal 2024 compared with a net income of \$3.1 million or \$0.02 per share for the fourth quarter of fiscal 2023. The Company's net loss was impacted significantly by the following factors:

- Revenue for the first quarter of fiscal 2024 decreased by \$9.7 million to \$20.1 million on sales of 9,233 ounces of gold, 0.8 million pounds of copper, and 22,021 ounces of silver from El Valle, compared with revenue of \$29.8 million on sales of 13,754 ounces of gold, 1.5 million pounds of copper, and 42,331 ounces of silver.

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<sup>1</sup> GEO, Free Cash Flow, EBITDA, COC and AISC are Non-GAAP Financial Performance Measures. For further information and detailed reconciliations, please see the "Non-GAAP Financial Performance Measures" section of this MD&A.

- Mining costs were \$17.9 million or \$1.6 million lower for the first quarter of fiscal 2024 compared with \$19.5 million for the fourth quarter of fiscal 2023, primarily due to lower tonnage mined and milled.
- Depreciation decreased by \$1.2 million to \$4.2 million for the first quarter of fiscal 2024 compared with \$5.4 million for the fourth quarter of fiscal 2023.
- Gross margin decreased by \$6.7 million to negative \$2.0 million for the first quarter of fiscal 2024 compared with \$4.7 million for the fourth quarter of fiscal 2023.
- EBITDA<sup>1</sup> \$0.05 million for first quarter of fiscal 2024, compared to \$10 million for fourth quarter of fiscal 2023.
- Current income tax expense decreased by \$0.9 million to a tax recovery of \$0.4 million for the first quarter of fiscal 2024 compared with \$0.5 million for the fourth quarter of fiscal 2023.
- Deferred income tax expense increased by \$2.9 million to \$2.9 million for the first quarter of fiscal 2024 compared with \$0.01 million for the fourth quarter of fiscal 2023.
- Total consolidated COC<sup>1</sup> (by-product) of \$1,785 per ounce of gold sold in the first quarter of fiscal 2024 were \$633 or 55% higher than the fourth quarter of fiscal 2023. Total AISC<sup>1</sup> (by-product) of \$2,153 per ounce of gold sold in the first quarter of fiscal 2024 were \$746 or 55% higher than the fourth quarter of fiscal 2023. COC<sup>1</sup> and AISC<sup>1</sup> were negatively impacted by lower production and sales volume of all products during the labour strike.

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<sup>1</sup> GEO, Free Cash Flow, EBITDA, cash costs per ounce (COC), all-in sustaining costs (AISC) per ounce and Realized Price are Non-GAAP Financial Performance Measures. For further information and detailed reconciliations, please see the “Non-GAAP Financial Performance Measures” section of this MD&A.

## Orovalle

Through its wholly-owned subsidiary, Orovalle, the Company owns and operates the El Valle Boinás and Carlés gold-copper-silver mines located in the Rio Narcea Gold Belt in northern Spain, along with El Valle processing plant and El Valle tailings storage facility. Orovalle mines skarns and oxides underground, and produces copper concentrate and doré bars.

Orovalle has a large regional exploration footprint of 45,150 ha, which includes concessions and investigation permits, few of which are still in progress.

The following table includes consolidated operating and financial performance data for Orovalle for the periods set out below:

	Q1 2024	Q4 2023	Q1 2023	FY 2023
<b>Operating Performance</b>				
Ore mined (tonnes) (wmt)	<b>122,004</b>	191,214	168,678	741,994
Ore milled (tonnes) (dmt)	<b>130,267</b>	189,527	156,681	688,054
Daily average throughput (dmt)	<b>1,916</b>	2,178	1,934	2,050
<i>Gold</i>				
Grade (g/t)	<b>2.09</b>	2.23	2.30	2.28
Recovery (%)	<b>91.5</b>	91.3	92.5	91.6
Production (oz)	<b>7,994</b>	12,427	10,711	46,259
Sales (oz)	<b>9,233</b>	13,754	10,799	45,538
<i>Silver</i>				
Grade (g/t)	<b>6.77</b>	8.38	10.98	8.61
Recovery (%)	<b>72.0</b>	76.1	81.2	76.0
Production (oz)	<b>20,393</b>	38,861	44,903	144,729
Sales (oz)	<b>22,021</b>	42,331	43,755	152,867
<i>Copper</i>				
Grade (%)	<b>0.32</b>	0.40	0.43	0.37
Recovery (%)	<b>76.3</b>	81.2	82.6	80.7
Production ('000 lbs)	<b>702</b>	1,356	1,216	4,518
Sales ('000 lbs)	<b>770</b>	1,464	1,227	4,559
<b>Financial Performance</b> (in 000's, except per share amounts)				
Revenue	<b>\$20,124</b>	\$29,842	\$22,978	\$99,122
Mining costs	<b>\$17,163</b>	\$18,802	\$17,993	\$71,584
Income (loss) before tax	<b>(\$2,581)</b>	\$4,586	(\$416)	\$6,997
Capital expenditures	<b>\$2,335</b>	\$2,927	\$2,823	\$11,780
COC (by-product) (\$/oz) gold <sup>(1)</sup>	<b>\$1,702</b>	\$1,099	\$1,309	\$1,294
AISC (by-product) (\$/oz) gold <sup>(1)</sup>	<b>\$1,893</b>	\$1,380	\$1,598	\$1,580

(1) Further information on these non-GAAP financial performance measures, including detailed reconciliations, is included in the "Non- GAAP Financial Performance Measures" section.

## Operational Results

### Orovalle Operating Performance

The period of validity of the last Collective Agreement of Orovalle ended in December 2022, and has been extended until the new agreement is finalized. The Company and the Workers Committee have been negotiating the terms of the new agreement since early 2023. The Workers Committee decided in mid November to start strikes of three hours per shift, impacting Orovalle's performance in the first quarter of fiscal 2024.

In January 2024, Orovalle successfully concluded negotiations regarding basic terms of its 2023-2025 Collective Bargain Agreement (“CBA”), which were ratified by workers’ assemblies. Upon agreement to the basic terms of the new CBA, strikes were halted, and labour attendance and operational conditions were returned back to normal. Negotiations are in progress to finalize the CBA.

First quarter of fiscal 2024 production decreased to 7,994 ounces of gold and 0.7 million pounds of copper compared with 10,711 ounces of gold and 1.2 million pounds of copper during the first quarter of fiscal 2023. Gold production decreased by 25% primarily due to 17% lower tonnes milled and 9% lower head grade. Copper production decreased by 42% primary due to 17% lower tonnes milled, 25 lower head grade and 8% lower recoveries.

During the first quarter of fiscal quarter of 2023, Orovalle produced 7,994 ounces of gold and 0.7 million pounds of copper, compared with 12,427 ounces of gold and 1.4 million pounds of copper during the fourth quarter of fiscal 2023. Gold production decreased by 36% due to 31% lower tonnes milled and 7% lower head grade. Copper production decreased by 48% primarily due to 31% lower tonnes milled, 20% lower head grade and 6% lower recoveries. Mechanical advance rates in oxide areas decreased by 33% to 1,271 meters during the first quarter of fiscal 2024, as compared to the fourth quarter of fiscal 2023.

Several projects are in progress to optimize the long term value of the El Valle Tailings Storage Facility (the “El Valle TSF”). During fiscal 2022, Orovalle initiated the permitting process for the elevation of the facility approximately 30 meters above the current authorized maximum level. The permitting process continues in progress, and the Company expects a positive outcome during fiscal 2024. The Company is also working to implement a definitive geotechnical wall treatment for the long term to the legacy open pit wall where the El Valle TSF is located. The stabilization project started late fiscal 2022. During the first quarter of fiscal 2023 the Company decided to temporarily suspend the project to introduce changes in the design. Additional geotechnical studies have been completed and the engineering has been updated. The Company expects to restart the earth moving in the second quarter of fiscal 2024. The completion of the project is subject to the acquisition of lands in the surrounding and the completion of the permitting update. The lack of capacity to store tailings in the El Valle TSF due to permitting or technical issues could impact the Company’s ability to maintain production at El Valle.

#### Orovalle Financial Performance

Revenue from Orovalle for the first quarter of fiscal 2024 decreased by 12% to \$20.1 million on sales of 9,233 ounces of gold, 0.8 million pounds of copper, and 22,021 ounces of silver from \$23.0 million for the first quarter of fiscal 2023 on sales of 10,799 ounces of gold, 1.2 million pounds of copper and 43,755 ounces of silver.

Mining costs decreased by 4% from \$18 million for the first quarter of fiscal 2023 to \$17.2 million for the first quarter of fiscal 2024.

Loss before tax for the first quarter of fiscal 2024 was \$2.6 million compared with \$0.4 million for the first quarter of fiscal 2023.

Total capital expenditures at El Valle during the first quarter of fiscal 2024 were \$2.3 million, compared to \$2.8 million during the first quarter of fiscal 2023. Capital expenditures in the first quarter of fiscal 2024 consisted substantially of primary development and mining equipment.

Total COC<sup>1</sup> (by-product) of \$1,702 per ounce of gold sold for the first quarter of fiscal 2024 were \$393 or 30% higher than first quarter of fiscal 2023. Total AISC<sup>1</sup> (by-product) of \$1,893 per ounce of gold sold for the first quarter of fiscal 2024 were \$295 or 18% higher than first quarter of fiscal 2023.

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<sup>1</sup> COC and AISC are Non-GAAP Financial Performance Measures. For further information and detailed reconciliations, please see the “Non-GAAP Financial Performance Measures” section of this MD&A.

### Orovalle Growth Exploration

3,104 meters were drilled during the first quarter of fiscal 2024, with the following distribution:

Meters Q1		Comments
<b>El Valle drilling</b>		
Boinas South	2,659	2,355 m were completed in 18 infill drill holes to define mineral to be included in the mine plan production, 304 m were executed in two brownfield drill holes intersecting narrow mineralized bands proving mineral extension to the North.
<b>Greenfield drilling</b>		
Ortosa Godán	61	Completion of the program, confirming similarities with Carles deposit
Lidia	384	Two drill holes were executed in the North part of the orebody. Mineralization is still open in the South and at depth.

El Valle program continues focused on converting the inferred material into measured and indicated material. Additionally, Orovalle intends to continue with the exploration programs to identify new mineralized areas and new resources.

### **EMIPA**

Through its wholly-owned subsidiary, Empresa Minera Paititi S.A. ("EMIPA"), the Company owns and operates Don Mario under a number of concessions in the Don Mario district located in south-eastern Bolivia. Fiscal 2009 marked the last year of six years of production from the Company's LMZ underground gold mine at Don Mario with some gold production from lower-grade open pit satellite deposits and lower grade stockpiles continuing into fiscal 2010 and 2011. From 2012 to the end of 2016, EMIPA mined the UMZ as an open-pit mine. From 2016 to 2018, EMIPA mined new material at the upper extension of the LMZ as an open-pit mine. Mining activity transitioned to Cerro Félix after LMZ. During the fourth quarter of fiscal 2019, mining activities transitioned from Cerro Félix to open pit operations in Las Tojas. In the first quarter of fiscal 2020 the Company made a decision to temporarily suspend mining and milling operations. Since then, Don Mario continues in care and maintenance, transitioning to the Oxides Stockpile Project, consisting of a plant expansion to treat ore stockpiled from previous years of mining activity.

The following table includes operating and financial performance data for EMIPA for the periods set out below:

	Q1 2024	Q4 2023	Q1 2023	FY 2023
<b>Financial Performance</b> (in 000's, except per share amounts)				
Mining costs – Care and maintenance	<b>\$764</b>	\$740	\$847	\$3,283
Income (loss) before tax	<b>(\$841)</b>	\$55	(\$1,029)	(\$2,961)
Capital expenditures	<b>\$100</b>	\$231	(\$12)	\$490

### EMIPA Operating Performance

Production in the first quarter of fiscal 2024 was nil, similar to the first quarter of fiscal 2023.

### EMIPA Financial Performance

Revenue from EMIPA was \$nil in the first quarter of fiscal 2024, and in the first quarter of fiscal 2023.

Mining costs of \$0.8 million for the first quarter of fiscal 2024 are similar to first quarter of fiscal 2023.

Loss before tax for the first quarter of fiscal 2024 was \$0.8 million compared with loss before tax of \$1.0 million for the first quarter of fiscal 2023.

Total capital expenditures at Don Mario in the first quarter of fiscal 2024 were \$0.1 million compared with (\$0.01) million in the first quarter of fiscal 2023. Capital expenditures related primarily to the Oxides Project.

In November 2023, the Autoridad de Supervisión del Sistema Financiero (ASFI), the Bolivian Financial Supervisory Authority, approved EMIPA's proposed \$47 million Bond Program to be offered in the

Bolivian stock market (the “Bond Program”). Previously, in September 2023, EMIPA had received ASFI approval of its registration as an eligible Bond Issuer in the Bolivian stock market. Bond Program highlights are:

Purpose: Development of the EMIPA's Oxides Stockpile Project, consisting of a plant expansion to treat ore stockpiled from previous years of mining activity

Total Ticket: Bs 327.120.000,00 (\$47 million)

Units: 32.712

Face value: Bs. 10.000,00 / unit

Term: 1,080 days

Interest rate: 6.8%

Security: Don Mario Plant – New circuits

Covenants: financial ratios (debt coverage, debt coverage third parties and leverage).

The proposed OSP financing structure includes: \$47 million Bond Program, as the structure core, for CAPEX; \$33 million working capital facility during construction and ramp-up phases; and \$3 million Bank Debt in Bolivia, secured in fiscal 2023. EMIPA expects to commence the bonds offering in Bolivia in the next few weeks, the closing of which would be conditional upon securing the remaining of the OSP financing structure.

#### EMIPA Exploration and Mine Life Extension

The Company is focused on restarting production at Don Mario Mine. The Oxides Stockpile Project is projected to operate for 35 months, starting after a 13-month construction period that the Company expects to start in the first half of calendar 2024, subject to the completion of sufficient financing. The Company is also evaluating the potential reprocessing of tailings accumulated in the Don Mario Tailings Storage Facility. The processing of the Oxides Stockpile, plus the reprocessing of tailings could potentially add 6-7-year of mine life to Don Mario, allowing for exploration opportunities

EMIPA has a 53,325 ha exploration Land Package around the Don Mario Operation. A variety of Greenfield targets are being explored to identify potential future satellite deposits. The Company has reviewed 30 years of historical exploration data of the area, and it is currently prioritizing exploration targets applying latest technologies to the historical data.

#### **Orvana Argentina**

Orvana's strategy in the project had been focused on the oxides portion of the property. In light of the global developments, the Company is currently analyzing a strategic option to combine Oxides and Sulphides in a larger undertaking strategy. Once the oxides – sulphides combined opportunity is understood, next steps for the property will be determined.

#### **Market Review and Trends**

##### Metal Prices

The market prices of gold and copper are primary drivers of Orvana's earnings and ability to generate Free Cash Flows<sup>1</sup>. During first quarter of fiscal 2024, gold traded in a range from \$1,819 to \$2,078 per ounce and averaged \$1,976 per ounce compared with \$1,729 per ounce in first quarter fiscal 2023. Orvana's average gold realized price<sup>1</sup> in the first quarter of fiscal 2024 was \$1,974 per ounce, as compared to \$1,722 per ounce in first quarter of fiscal 2023. The Company derived approximately 84% of its revenue from sales of gold in the first quarter of fiscal 2024.

Copper prices during the first quarter of fiscal 2024 traded in a range of \$3.55 to \$3.75 per pound and averaged \$3.71 per pound compared with \$3.63 per pound during the first quarter of fiscal 2023. Orvana's average copper realized price<sup>1</sup> in the first quarter of fiscal 2024 was \$3.69 per pound, as compared to \$3.62 per pound in the first quarter of fiscal 2023. The Company derived approximately 13% of its revenue from sales of copper in the first quarter of fiscal 2024.

<sup>1</sup> Free Cash Flow and realized price are Non-GAAP Financial Performance Measures. For further information and detailed reconciliations, please see the “Non-GAAP Financial Performance Measures” section of this MD&A.



### Currency Exchange Rates

The results of Orvana's operations are affected by US dollar exchange rates. Orvana's largest exposure is to the Euro/US Dollar exchange rate. The Company incurs operating and administration costs at Orovalle in Euros, while revenue is denominated in US dollars. Orvana's Euro costs increased year over year, with the Euro to US Dollar exchange rate moving from an average of 1.02 in first quarter of fiscal 2023 to 1.08 in first quarter of fiscal 2024. As a result of foreign exchange movements, mining costs at El Valle were higher by approximately \$0.9 million in first quarter of fiscal 2024 compared with first quarter of fiscal 2023.

The Company has a minor exposure in Argentina, as its functional currency is US Dollar and the balance at quarter-end, in Argentinian Pesos is not significant.

Orvana also has a minor exposure to the Canadian dollar and the Swedish krona through corporate administration costs. Orvana's exposure to the US Dollar to Bolivianos exchange rate is limited as this exchange rate has not fluctuated significantly during previous reporting periods.

## **FINANCIAL CONDITION REVIEW**

### **Balance Sheet Review**

The following table provides a comparison of key elements of Orvana's balance sheet at December 31, 2023 and September 30, 2023.

<i>(in 000s)</i>	<b>December 31, 2023</b>		<b>September 30, 2023</b>	
Cash and cash equivalents	\$	<b>3,859</b>	\$	8,329
Restricted cash (short term)		<b>146</b>		96
Non-cash working capital <sup>(1)</sup>		<b>(9,859)</b>		(11,057)
Total assets		<b>113,635</b>		123,249
Total liabilities	\$	<b>63,010</b>	\$	66,690
Shareholders' equity	\$	<b>50,625</b>	\$	56,559

(1) Working capital represents current assets of \$19.6 million less cash and cash equivalents and short-term restricted cash totaling \$4.0 million and less \$25.4 million in current liabilities composed of accounts payable, provision for statutory obligations and accrued liabilities, income taxes payable and derivative instruments (not including current debt).

Total assets decreased by \$9.6 million from \$123.2 million at September 30, 2023 to \$113.6 million at December 31, 2023, primarily as a result of the increases in (i) gold and concentrate receivable of \$0.1 million, (ii) Income tax receivables of \$0.6 million, (iii) other assets for \$0.01 million, and (iv) reclamation bonds of \$0.8 million, and all these offset with the decreases in (i) cash and restricted cash of \$4.4 million, (ii) VAT receivables and prepaid expenses of \$1.1 million, (iii) inventory of \$1.8 million, (iv) property, plant and equipment of \$0.9 million, and (v) deferred income tax asset of \$2.9 million.

Total liabilities decreased by \$3.7 million to \$63.0 million at December 31, 2023 from \$66.7 million at September 30, 2023 primarily as a result of increases in (i) provision for statutory obligations for \$0.03 million, (ii) derivative instruments for \$0.1 million, (iii) asset retirement obligation for \$0.8 million, and (iv) other long-term liabilities of \$0.01 million, offset by decreases in (i) accounts payable and accrued liabilities for \$2.8 million, (ii) income tax payables for \$0.6 million, (iii) debt for \$0.8 million, (iv) lease obligations for \$0.2 million, and (v) long-term compensations for \$0.1 million.

## Debt

Debt as of, (in 000s)	December 31, 2023		September 30, 2023	
Orovalle and Iberia				
Syndicated Loan	\$	8,245	\$	9,882
Orovalle				
Revolving facilities		3,091		1,271
Other bank loans		1,220		1,689
EMIPA				
Banco FIE Loan		1,500		1,500
Orvana Minerals Corp.				
Fabulosa Mines Limited Loan		-		519
		14,056		14,861
Less: current portion		(9,956)		(8,636)
	\$	4,100	\$	6,225

### Syndicated Loan – Orovalle and Iberia

In December 2021, Orovalle and Orvana Minerals Iberia entered into a syndicated loan with BBVA and Sabadell. The detail of proceeds and repayments of this facility is described below:

Facility	Bank	Principal (000s)	Proceeds up until September 30, 2023 (000s)	Repayments up until December 31, 2023 (000s)	Outstanding balance, December 31, 2023 (000s)
Loan	BBVA	€ 7,500	€ 7,500	€ 3,750	€ 3,750
	Sabadell	7,500	7,500	3,750	3,750
<b>Totals (€ 000s)</b>		€ 15,000	€ 15,000	€ 7,500	€ 7,500
<b>Deferred financing fees (€ 000s)</b>		-	-	-	€ (40)
<b>Totals (€ 000s) - net</b>		€ 15,000	€ 15,000	€ 7,500	€ 7,460
<b>Totals (\$ 000s) - net</b>		\$16,575	\$16,575	\$ 8,288	\$ 8,245

The Company's obligations to the lenders are secured by the pledge of all of Orvana's shares of Orovalle and Orvana Minerals Iberia. Amongst other obligations, the ratio net finance debt to EBITDA calculated based on the aggregated financial information of Orovalle and Iberia, must be, throughout the life of the financing, less than 3.5. At December 31, 2023 Orovalle and Orvana Minerals Iberia were in compliance with these covenants.

### Revolving facilities - Orovalle

Orovalle has two revolving lines with Bankinter for a total of €2.5 million. One revolving line for €1.5 million, yearly renewable, and with EURIBOR 12 month + 1.95% interest. And a second one, for €1 million, quarterly renewable, subject to a 1.40% opening fee and with no interest. As of December 31, 2023 these revolving facilities had a balance of \$1.1 million.

In September 2023, Orovalle contracted with BSCH revolving lines for a total of €1.8 million (\$2 million). The term is six months and interest is EURIBOR 3 month + 2.70%. This facility has a balance of \$2 million at December 31, 2023.

## Other bank loans

Bank	Date	Principal (000s)	Interest Rate (%)	Outstanding balance December 31, 2023 (000s)	Maturity
Bankinter	Dec 2021	530	1.5%	-	Dec 2023
Sabadell	May 2022	304	Euribor 12-m+0.55%	64	May 2024
BBVA	Aug 2022	1,126	Euribor 3-m+1.35%	437	Aug 2024
BBVA	Oct 2022	1,026	Euribor 3-m+1.35%	384	Oct 2024
Caja Rural Asturias	June 2023	663	4.25%	335	Jun 2024
<b>Totals (\$ 000s)</b>		<b>\$ 3,649</b>		<b>\$1,220</b>	
<b>Totals (€ 000s)</b>		<b>€ 3,302</b>		<b>€ 1,105</b>	

During the three-month period ended December 31, 2023 the Company repaid principal for \$0.5 million (during the three-month period ended December 31, 2022, \$0.6 million).

## Banco FIE – EMIPA

During the fourth quarter of fiscal 2023 EMIPA closed with Banco FIE a financing line to be used for working capital or CAPEX. The principal amounted to Bs. 20.88 million (\$3 million), being \$1.5 million immediately available and \$1.5 million subject to the advance of the Oxides Stockpile Project. The line is available for a three year term, with disbursements due in one year term. The interest rate is 6% fixed. This funding is subject to the maintenance of certain financial covenants (debt coverage and leverage ratio), and guarantee consisting on certain fixed assets at Don Mario Plant. As of December 31, 2023 the outstanding balance is \$1.5 million.

## Fabulosa Loan 0.5M€ – Orvana

In April 2023, Orovalle entered into a 6-month loan with Fabulosa Mines Ltd. (the controlling shareholder). The principal amounted to \$500 thousands at an annual fixed interest rate of 8% and a 1% finance fee. This has been fully repaid as of December 31, 2023.

## Shareholders' Equity

Shareholders' equity at December 31, 2023 decreased by 10% to \$50.6 million compared with \$56.6 million at September 30, 2023. The table below sets out the number of each class of securities of the Company outstanding at December 31, 2023 and as at the date hereof:

	At December 31, 2023
Common Shares	136,623,171

## Derivative Instruments

The Company had outstanding derivative instruments for \$50 thousands at December 31, 2023 (December 31, 2022 - \$nil).

	Contract prices	Cash settlement	Contract amounts
Gold forwards (Jan-Mar 2024)	\$2,042-\$2,070	Monthly	4,500 Oz.

The Company recorded fair value adjustments as follows:

For the three months ended December 31,	2023	2022
Change in unrealized fair value	\$ (50)	\$ (2)
Derivative instruments gain (loss)	\$ (50)	\$ (2)

## Financial Instruments

The Company's business model is based on maintaining its financial assets to receive contractual cash flows according to signed contracts, on specific dates. Detailed information about the Company's Financial Instruments is included in the Audited Consolidated Financial Statements for the years ended September 30, 2023 and 2022:

- Accounting policies are described in Note 3,
- Valuation techniques, fair value and risk factors are detailed in Note 27.

Additionally, see Note 25 of Condensed Interim Consolidated Financial Statements, closed as of December 31, 2023, for valuations in first quarter of fiscal 2024.

## Capital Resources

At December 31, 2023, the Company had cash and cash equivalents of \$3.9 million and restricted cash of \$0.1 million. The Company considers its capital employed to consist of shareholders' equity (including share capital, contributed surplus and retained earnings), total debt and lease liabilities, net of cash and cash equivalents as follows:

<i>(in 000s)</i>	December 31, 2023	September 30, 2023
Shareholders' equity	\$ 50,625	\$ 56,559
Debt – long term	4,100	6,225
Debt – current	9,956	8,636
Lease liabilities	1,070	1,278
	65,751	72,698
Less: Cash and cash equivalents	(3,859)	(8,329)
Capital employed	\$ 61,892	\$ 64,369

The Company's financial objective when managing capital is to ensure that it has the cash and debt capacity and financial flexibility to fund its ongoing business objectives including operating activities, investments and growth in order to provide returns for shareholders. In order to maintain or adjust the capital structure, in addition to using cash flows from operating activities for this purpose, the Company may issue new shares or obtain additional debt.

The Company monitors its capital structure and makes adjustments according to market conditions in an effort to meet its objectives given the Company's operating and financial performance and current outlook for the business and industry in general. The Company's alternatives to fund future capital needs include cash flows from operating activities, debt or equity financing or adjustments to capital spending. The capital structure and these alternatives are reviewed by management and the board of directors of the Company on a regular basis to ensure the best mix of capital resources to meet the Company's needs.

The Company manages capital through its operating and financial budgeting and forecasting processes. The Company reviews its working capital and forecasts its future cash flows on a periodic basis, based on operating expenditures and other investing and financing activities. The forecast is regularly updated based on the results of each unit. Information is regularly provided to the board of directors of the Company.

Due to metal prices volatility and global inflationary pressures, the Company's strategy for fiscal 2024 is to manage its existing capital resources and liquidity in a prudent fashion, to meet all of its existing debt repayment obligations. Refer to and "Outlook" and "Financial and other risks and uncertainties" sections.

## Cash Flows, Commitments, Liquidity and Contingencies

### Cash Flows

Total cash and cash equivalents as at December 31, 2023 was \$3.9 million, primarily denominated in US dollars, representing \$4.5 million lower cash than at September 30, 2023. Short-term restricted cash was \$0.1 million at December 31, 2023, which is the same amount as at September 30, 2023. The

Company's total debt was \$14.1 million at December 31, 2023. This compares with total debt as at September 30, 2023 of \$14.9 million.

The following table summarizes the principal sources and uses of cash for the periods specified below:

<i>(in 000's)</i>	<b>Q1 2024</b>	<b>Q4 2023</b>	<b>Q1 2023</b>	<b>FY 2023</b>
Cash provided by (used in) operating activities before changes in non-cash working capital	<b>\$1,208</b>	\$4,107	\$2,648	\$16,291
Cash provided by (used in) operating activities	<b>(210)</b>	7,412	3,687	21,037
Cash provided by (used in) investing activities <sup>(1)</sup>	<b>(2,702)</b>	(2,099)	(3,197)	(11,547)
Cash provided by (used in) financing activities	<b>(1,631)</b>	(2,743)	(3,136)	(8,057)
Change in cash	<b>(\$4,543)</b>	\$2,570	(\$2,646)	\$1,433

(1) These amounts are presented on a cash basis. Each reported period excludes unpaid capital expenditures incurred in the period which will be paid in subsequent periods and includes capital expenditures incurred in prior periods and paid for in the applicable reported period. See "Cash Flows, Commitments and Liquidity - Capital Expenditures".

Orvana's primary source of liquidity continues to be from operating cash flows. Cash flows provided by operating activities before changes in non-cash working capital were \$1.2 million for first quarter of fiscal 2024 compared with \$2.6 million for the first quarter of fiscal 2023. Cash flows used in operating activities were \$0.2 million for the first quarter of fiscal 2024 compared with \$3.7 million provided for the first quarter of fiscal 2023.

Significant drivers of the change in operating cash flow are production and realized gold and copper prices on sales. Future changes in the market price of gold and copper, either favourable or unfavourable, will continue to have a material impact on the Company's cash flows and liquidity.

#### Capital Expenditures

The following table sets forth Orvana's capital expenditures for the periods specified below for El Valle and Don Mario:

<i>(in 000's)</i>	<b>Q1 2024</b>	<b>Q4 2023</b>	<b>Q1 2023</b>	<b>FY 2023</b>
El Valle	<b>\$1,179</b>	\$2,927	\$2,823	\$11,780
Don Mario	<b>311</b>	231	(12)	490
Corporate	-	-	9	21
Taguas	<b>38</b>	159	32	331
Sub-total capital expenditures	<b>\$1,528</b>	\$3,317	\$2,852	\$12,622
Accounts payable adjustments <sup>(1)</sup>	<b>\$944</b>	(\$1,211)	\$235	(\$956)
Total capital expenditures <sup>(1)</sup>	<b>\$2,472</b>	\$2,106	\$3,087	\$11,666

(1) These amounts are presented on a cash basis. Each reported period excludes unpaid capital expenditures incurred in the period which will be paid in subsequent periods and includes capital expenditures incurred in prior periods and paid for in the applicable reported period. Since 2020 this adjustment includes the elimination of IFRS16 assets adjusted in CAPEX.

At El Valle, capital expenditures in first quarter of fiscal 2024 consisted mainly of primary development, mine equipment and the stabilization of the legacy open pit wall. Capital expenditures at Don Mario consisted of engineering works and studies of the oxides project. Capital expenditures at Orvana Argentina are related to exploration and evaluation costs of the Taguas Project.

Due to the ongoing social and economic uncertainties worldwide, Capital expenditures programs are being reviewed companywide. Refer to "Significant social and economic uncertainties" and "Outlook" sections.

## Other Commitments

The Company's current contractual obligations are summarized in the following table:

As at December 31, 2023		Payment Due by Period			
(In 000s)	Total	Less than 1 Year	1-3 Years	4-5 Years	After 5 Years
Bank debt – Orovalle <sup>(1)</sup>	\$ 8,610	6,499	2,111	-	-
Bank debt – Iberia (50% of Syndicated) <sup>(1)</sup>	4,273	2,162	2,111	-	-
Bank debt – EMIPA	1,588	1,588	-	-	-
Finance leases	1,083	704	379	-	-
Operating leases	1,358	1,003	312	43	-
Accounts Payable	20,668	20,613	55	-	-
Statutory Labor Obligations	535	91	444	-	-
Long-term compensation	2,240	1,925	-	-	315
Total contractual obligations	\$ 40,355	34,585	5,412	43	315

(1) Debt payments include interests.

## Royalties

Production from El Valle Mines is subject to a royalty ratchet structure linked to the gold price. For the three-month period ended December 31, 2023 applicable royalty was 0.75%, and it will increase from a minimum of 0.5%, where the gold price is <\$1,800/oz, up to 3.0%, where the gold price is ≥\$2,500/oz. This royalty totaled \$0.1 million for the three-month period ended December 31, 2023 (December 31, 2022 - \$0.6 million).

Production from Don Mario Mine is subject to a 3% NSR. Royalty expense under this NSR totaled \$nil for the three-month period ended December 31, 2023 (December 31, 2022 - \$nil). The Bolivian government collects a mining royalty tax on the revenue generated from copper, gold and silver sales from Don Mario Mine at rates of 5%, 7% and 6%, respectively. These amounts totaled \$nil for the three-month period ended December 31, 2023 (December 31, 2022 - \$nil).

## Liquidity

Orvana's primary sources of liquidity in first quarter of fiscal 2024 were operating cash flows. As at December 31, 2023, the Company had cash of \$3.9 million, and together with forecasted operating cash flow, the renewal of current revolving lines and the reimbursement of VAT balances, expects to cover the Company's commitments due in less than one year of \$35 million.

Operating costs at Orovalle could result impacted by the global inflationary pressure. Spain's Central Bank forecasted in September 2023 consumer prices to surge 4.3% in 2024 and 1.8% in 2025. The Company expects that this inflationary scenario is temporary and will not affect Orovalle's results in the medium to longer term in a material way.

At EMIPA operations are in care and maintenance. Capital expenditures in respect to the Oxides Stockpile Project would only be incurred should financing acceptable to the Company is realized.

At Argentina, the Company is repositioning its strategy. The Company would continue with next exploration steps at Taguas only if capital resources and liquidity are available.

The Company's cash flow forecasts are developed using best available information at the time of their preparation and rely on certain material assumptions, such as gold and copper market prices and the ability to achieve planned production of gold and copper. There can be no assurances that the Company's cash flow forecasts will not change materially in the future and that the effect of changes to the Company's forecasts, if negative, could result in future financing requirements for the Company.

If (i) unanticipated events occur that may impact the Company's operations and/or (ii) if the Company does not have adequate access to financing on terms acceptable to the Company, the Company may need to take additional measures to increase its liquidity and capital resources, including obtaining additional debt or equity financing, pursuing joint-venture partnerships, equipment financings or other



receivables financing arrangements. The Company may experience difficulty in obtaining satisfactory financing terms. Failure to obtain adequate financing on satisfactory terms could have a material adverse effect on Orvana's results of operations or financial condition.

The Company's strategy for the fiscal 2024 is to manage its existing capital resources and liquidity in a prudent fashion to sustain ongoing capital projects and exploration programs.

The Company has been pursuing a number of initiatives in order to meet its objectives of optimizing production, lowering unitary cash costs<sup>1</sup>, maximizing Free Cash Flow<sup>1</sup>, extending the life-of-mine of its operations and growing its operations to deliver shareholder value.

#### Contingencies

- (a) The Company's mining and exploration activities are subject to various government laws and regulations relating to the protection of the environment. Spanish Water Authority has taken the position that the levels of selenium in the river flowing past El Valle Mine exceed the levels permitted by applicable regulations as a result of discharges attributed to Orovalle which may not be in compliance with certain of Orovalle's permits. Orovalle has received approximately €1 million (\$1.1 million) in fines relating to these matters and may face further additional fines or other sanctions, including the revocation or suspension of certain permits, in the future. Orovalle is appealing the outstanding fines totalling €0.6 million (\$0.7 million) and the enforcement of certain fines has been suspended pending the related criminal matter. A criminal court of Asturias has conducted since fiscal 2015, an investigation into the potential commission by Orovalle of a reckless crime under the Spanish penal code relating to these matters. After the conclusion of the investigation phase, the Court notified in the third quarter of fiscal 2020 the opening of the oral trial. The request of the Prosecutor and the State's Attorney acting in this Process includes a fine of up to €20 million (\$22 million) and the eventual withholding of Orovalle's operations until it is demonstrated that the alleged polluting activity has ceased. The petition also includes a €5 million (\$5.5 million) indemnity for civil liability. At this time, the state prosecutor has petitioned these sanctions against Orovalle in respect of this matter. Orovalle has filed its preliminary statement of defence requesting for the dismissal of the allegations on the basis that, among other things, there is an absence of a committed offence. The process to resolve this matter is ongoing, and as of the date of this MD&A, no final decision by the courts have been rendered in respect of this matter. A date for the commencement of the oral trial had been set for March 2021. Due to procedural matters, on March 1, 2021, the trial has been rescheduled to an undetermined date in the future. In connection with the pending oral trial, the Court set a requirement on Orovalle to provide a bond in the amount of €7 million (\$7.7 million) as warranty for contingent liabilities, subject to the outcome of the oral trial. Orovalle has appealed the bond requirement. The appeal is in progress as of date hereof. Individuals have been excluded from any charges, and this case relates only to Orovalle at this time. If Orovalle is ultimately found responsible, monetary penalties, amongst other sanctions, may be applied. These sanctions could have a material impact on the Company.
- (b) During first quarter of fiscal 2020, the Company suspended mining and milling operations at EMIPA, as a result of conclusive technical problems at Las Tojas area, which resulted in uneconomic unitary cost per ounce. As a result of the suspension of operations, during the second quarter of fiscal 2020 EMIPA implemented a labor restructuring process that affected 182 employees. The process was managed according to the terms defined by applicable laws in Bolivia. A group of 84 former employees affected by the restructuring process (the "Former Employees") decided not to accept the dismissal terms provided for under applicable employment laws in Bolivia. In respect of these Former Employees, EMIPA proceeded to deposit into a judicial account the compensation benefits to which the aforementioned employees were entitled within the period established by law and according to the terms defined by the local regulation.

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<sup>1</sup> Free Cash Flow, cash costs per ounce (COC) and all-in sustaining costs (AISC) per ounce are Non-GAAP Financial Performance Measures. For further information and detailed reconciliations, please see the "Non-GAAP Financial Performance Measures" section of this MD&A.

As a result of filings by the Former Employees to dispute the dismissal process, EMIPA appealed Reinstatement Resolutions issued by the Labor Authority. EMIPA subsequently filed Constitutional Appeals to dispute the Original Reinstatement Resolutions on the basis that the dismissal process conducted by EMIPA during the restructuring process is in full compliance with applicable employment laws. In June 2021, the Constitutional Court ruled in favor of EMIPA instructing the correction of identified errors in the Original Reinstatement Resolutions, because of not considering the suspension of operations as force majeure causing the restructuring process. In June 14th 2023, Supreme Justice Tribunal ruled that EMIPA's decision of dismissal was legal.

Since June 2021, the Labor Authority reissued Reinstatement Resolutions (the "Amended Reinstatement Resolutions"). The Constitutional Court determined that the Labor Authority's Amended Reinstatement Resolutions did not adequately address the existence of force majeure, and therefore recognizing that EMIPA's dismissal of the Former Employees in 2020 was valid and in compliance with applicable laws. On November 28th, the Labor Authority decided that it has no longer decision power in the case, because there is a constitutional ruling and a Supreme Court order, which admits EMIPA's argument of force majeure

In parallel to the administrative matters summarized above, the Former Employees started four criminal complaints against the General Manager of EMIPA, for not reinstating them to EMIPA notwithstanding that the Constitutional Court nullified the Original Reinstatement Resolutions issued by the Labor Authority. Three of the four complaints were closed after favorable resolution at the criminal court. One continues in progress at the criminal jurisdiction. Notwithstanding the status of the matters described in this paragraph, upon the Labor Authority complying with the Constitutional Court's ruling in favour of EMIPA (as described in the previous paragraph), any remaining criminal complaints against the General Manager of EMIPA will be nullified as there will be no basis for such complaints.

As at the date of this report, 68 employees continue with their claim for reinstatement. The Company continues defending vigorously its position, as the restructuring process was implemented because of the suspension of operations, and in full compliance with all the applicable laws in Bolivia. Considering the strength of EMIPA's arguments and all the positive rulings obtained as of the date hereof, the Company expects a positive outcome of the process. If EMIPA has to ultimately reinstate the Former Employees, it could have a material impact on the Company.

- (c) At September 30, 2023, reclamation bonds at Orovalle were €8 million. Additional reclamation bonds could be required by the Government of the Principality of Asturias, as part of the process of updating the environmental permit of the El Valle Tailings Facility. According to preliminary information, the reclamation bond to cover the execution of the restoration plan of the Orovalle Operation would increase to the total of €8.3 million. Final amounts are subject to the outcome of the permitting process in progress.
- (d) The Company and certain of its employees may be involved in other legal proceedings from time to time, arising in the ordinary course of its business. The amount of ultimate liability with respect to these actions, in the opinion of management, is not expected to materially affect the Company's financial position, results of operations or cash flows. The Company does not believe that the outcome of any of the matters not recorded in the consolidated financial statements, individually or in aggregate, would have a material adverse effect.
- (e) The Company is, from time to time, involved in various tax assessments arising in the ordinary course of business. The Company cannot reasonably predict the likelihood or outcome of these actions. The Company has recognized tax provisions from any uncertain tax positions identified. Management re-evaluates the outstanding tax assessments regularly to update their estimates related to the outcome for those assessments.

## SUMMARY OF QUARTERLY RESULTS

The following two tables include results for the eight quarters ended December 31, 2023:

(in 000's, except per share amounts)	Quarters ended			
	Q1 2024	Q4 2023	Q3 2023	Q2 2023
Revenue	\$20,124	\$29,842	\$23,998	\$22,304
Net income (loss)	(\$7,202)	\$3,135	(\$89)	(\$472)
Gain (loss) per share (basic and diluted)	(\$0.05)	\$0.02	(\$0.00)	\$0.00
Total assets	\$113,635	\$123,249	\$130,208	\$130,300
Total financial liabilities <sup>(1)</sup>	\$15,176	\$16,139	\$18,917	\$20,146
	Q1 2023	Q4 2022	Q3 2022	Q2 2022
Revenue	\$22,978	\$27,713	\$18,450	\$21,872
Net income (loss)	\$134	(\$6,157)	(\$1,838)	(\$6,162)
Loss per share (basic and diluted)	\$0.00	(\$0.05)	(\$0.01)	(\$0.05)
Total assets	\$129,260	\$128,784	\$138,883	\$148,278
Total financial liabilities <sup>(1)</sup>	\$19,072	\$20,219	\$22,986	\$26,316

(1) Financial liabilities include current and long-term portions of debt, obligations under finance leases and derivative liabilities.

## FINANCIAL AND OTHER RISKS AND UNCERTAINTIES

### Significant social and economic uncertainties

The mining industry worldwide is being impacted by economic and geopolitical concerns. Metal prices continue being volatile, and rising inflation and rising prices for energy, fuel and other supplies may affect capital and operating costs. The financial effect of the current situation cannot be estimated with reasonable certainty at this stage.

### Financial Risks

The Company's activities expose it to a variety of financial market risks (including commodity price risks, currency risk and interest rate risk), credit risks, liquidity risks, financing risks and other risks. Enterprise risk management is carried out by management of the Company under policies approved by the board of directors thereof. Management identifies and evaluates the financial risks in co-operation with the Company's operating units. The Board of Directors of the Company reviews management's risk management programs and provides oversight on specific areas. The Company's overall risk management program seeks to minimize potential adverse effects on the Company's financial and operating performance.

### Other Risks

The Company identified a variety of additional risks and uncertainties in the most recent Annual Information Form dated December 20, 2023 ("AIF") including, but not limited to, (i) mineral resources and reserves estimates and replacement of depleted reserves, (ii) production estimates, (iii) development, capital projects and operations of mines, (iv) competition, (v) acquisitions and divestitures, (vi) title matters, (vii) water supply, (viii) regulatory and other risk, (ix) permits, (x) environmental, health and safety regulations, (xi) political and related risks, (xii) insurance, (xiii) reliance on key personnel and labor relations, (xiv) community relations and license to operate, (xv) litigation, (xvi) conflicts of interest, (xvii) controlling shareholder, and (xviii) share trading volatility.

In respect of regulatory and other risks and environmental regulations risks, see "Contingencies" above. For a more detailed discussion of such financial and other business risks, please see the "Risk Factors" in Orvana's most recent AIF at [www.sedarplus.ca](http://www.sedarplus.ca).

The mining industry worldwide is being impacted by economic and geopolitical concerns. For a more detailed discussion of such risks, refer to "Significant social and economic uncertainties" section.

## OTHER INFORMATION

### Critical Accounting Estimates

The preparation of financial statements in accordance with IFRS requires management to make estimates and assumptions that affect the reported amounts of certain assets and liabilities at the date of the financial statements and the reported amounts of certain revenues and expenses during the period. Actual results could differ significantly from those estimates. Specific items requiring estimates are mineral reserves, accounts receivable, property, plant and equipment, depreciation and amortization, forward metals prices, decommissioning liabilities, future income taxes, stock-based compensation and other accrued liabilities and contingent liabilities.

#### Net Realizable Amounts of Property, Plant and Equipment and impairment assessment

The Company performs impairment indicators assessments for its property, plant and equipment at all CGUs, using life of mine ("LOM") plans at the end of each reporting period. As of December 31, 2023, the Company's market capitalization was below its net book values, and after assessing factors such as production, commodity prices, and changes in the mine plans, management concluded that further impairment tests were required for the Orovalle and EMIPA CGUs. The Company estimated that the net recoverable amounts are greater than the carrying values of the respective net assets at December 31, 2023.

Recoverable amount was determined based on the value-in-use. In developing an estimate of the value-in-use, cash flows were forecasted over the life of mine considering key assumptions such as recoverable resources (based on estimated quantities of mineral resource and the Company's ability to convert resources in reserves), future commodity prices for gold, silver and copper, future production and sales volume, future operating, capital and reclamation costs in accordance with the current life of mine plans, foreign exchange rates, and discount rates. Discount rates used by management were estimated based on the Company's weighted average cost of capital, considering the nature of the assets being valued and their specific risk profile. Future forecasted commodity prices are a key assumption in estimating forecasted cash flows and were obtained from independent sources. Reserves and resources are estimated based on National Instrument 43-101 compliant reports produced by qualified persons.

Management used a long-term price per ounce of gold of between \$2,046 to \$2,206 and long-term price per pound of copper of \$3.90 to \$3.99 to perform its impairment assessments as at December 31, 2023. A 5% decrease in price per ounce in gold (all else equal) would have resulted in no impairment. A 5% decrease in price per pound in copper (all else equal) would have resulted in no impairment. Management used long-term Euro/USD exchange rates, obtained from independent sources, between 1/1.09 to 1/1.12 to perform its impairment assessments for Orovalle as at December 31, 2023. A 5% devaluation of the annual Euro/USD exchange rates (all else equal) would have resulted in no impairment.

#### Decommissioning Liabilities

Decommissioning liabilities relate to the dismantling of the mine facilities and environmental reclamation of the areas affected by mining operations. Mine facilities include structures and the tailings dam. Environmental reclamation requirements include mine water treatment, reforestation and dealing with soil contamination. It is possible that the Company's estimates of the ultimate amounts required to decommission its mines could change as a result of changes in regulations, the extent of environmental remediation required, the means of reclamation, cost estimates or the estimated remaining ore reserves. The following table sets out the Company's estimates, prepared by management with the assistance of independent third-party experts, of the undiscounted and discounted cash flows required to settle such decommissioning liabilities in respect of Orovalle and EMIPA at December 31, 2023.

As at December 31, 2023 (000s)		Undiscounted Cash Flows Required to Settle Decommissioning Liabilities	Discount Rate	Discounted Cash Flows Required to Settle Decommissioning Liabilities
<i>In 000's</i>				
	El Valle (1) \$	19,985	4.28%	\$ 14,057
	Don Mario (1)	8,133	4.80%	\$ 6,239
	Total \$	28,118		\$ 20,296

(1) The discount rate used to measure decommissioning liabilities is based on current interest rates of government bonds of the applicable country and of term that matches the time period to the commencement of the decommissioning liability being incurred.

### Long-term Compensation

The Company established a Deferred Share Unit (“DSU”) plan, effectively a phantom stock plan, for directors, effective October 1, 2008. For grants subsequent to December 1, 2015, the fair value of the units issued is expensed over the fiscal year in which they are issued and is included in long-term compensation expense under general and administrative expenses in the statement of income. The fair value of the DSUs are marked to the quoted market price of Common Shares at each reporting date and changes in their fair value are also recorded under general and administrative expenses. Payouts are settled in cash within a specified period following a director's departure, based on the market price of the Common Shares at exercise.

The Company established a Restricted Share Unit (“RSU”) plan, effectively a phantom stock plan, for designated executives, effective October 1, 2008. The initial fair value of units issued is expensed and is included in long-term compensation expense under general and administrative expenses in the statement of income. The fair value of the RSUs are marked to the quoted market price of the Common Shares at each reporting date and changes in their fair value are recorded under general and administrative expenses. Payouts are settled in cash after a specified period of vesting, based on the market price of the Common Shares at vesting.

The Company established a Share Appreciation Rights (“SAR”) plan for designated executives, effective in respect of fiscal 2013. Unless otherwise determined by the directors of the Company, designated participants are granted SARs in such number equal to two times the number of RSUs granted to such participant in respect of compensation for a particular fiscal year. The Initial Fair Market Value as defined in the SAR plan is determined based on the closing price of the Common Shares on the date of grant. The fair value of the SARs are measured using an option pricing model at each period end, and to the extent that employees have rendered services over a three year vesting period, an expense is recorded under general and administrative expenses in the statement of net income over such vesting period. Vested SARs may be exercised provided there has been an appreciation in the market price of the Common Shares from the Initial Fair Market Value on the grant date and payouts are settled in cash as vested SARs are exercised.

### Determination of Life of Mine (LOM) Plans and ore reserves and resources

Estimates of the quantities of ore reserves and resources form the basis for our LOM plans, which are used for a number of important business and accounting purposes, including: the calculation of depletion expense; for forecasting the timing of the payment of mine closure and restoration costs and for the assessment of impairment charges and the carrying values of assets. In certain cases, these LOM plans have made assumptions about our ability to obtain the necessary permits required to complete the planned activities. The Company determines mineral resources and reserves under the principles incorporated in the Canadian Institute of Mining, Metallurgy and Petroleum standards for mineral reserves and resources, known as the CIM Standards.

The information is regularly compiled by Qualified Persons and reported under National Instrument 43-101, Standards of Disclosure for Mineral Projects (“NI-43-101”).

There are numerous uncertainties inherent in estimating mineral resources and reserves, and assumptions that are valid at the time of estimation may change significantly when new information becomes available. Changes in the forecast prices of commodities, exchange rates, production costs

or recovery rates may change the economic status of reserves and resources and may, ultimately, result in reserves and resources being restated.

#### Gold prices

The net loss of \$7.2 million for first quarter of fiscal 2024 would be impacted by changes in average realized gold prices<sup>1</sup> on gold ounces sold. A 5% increase/decrease in average realized gold prices<sup>1</sup> would affect the gross revenue by an increase/decrease of approximately \$1 million.

#### Copper prices

The net loss of \$7.2 million for first quarter of fiscal 2024 would be impacted by changes in average realized copper prices<sup>1</sup>. A 5% increase/decrease in average realized copper prices would affect gross revenue by an increase/decrease of approximately \$0.2 million.

### **Internal Controls over Financial Reporting and Disclosure Controls and Procedures**

Management is responsible for the design and effectiveness of disclosure controls and procedures ("DC&P") and the design of internal control over financial reporting ("ICFR") to provide reasonable assurance that material information related to the Company, including its consolidated subsidiaries, is made known to the Company's certifying officers. The Company uses the *Internal Control – Integrated Framework* (COSO Framework) published by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) to design its ICFR. Based on a review of internal control procedures at the end of the period covered by this MD&A, management believes its internal controls and procedures are appropriately designed as at December 31, 2023.

There were no significant changes in the Company's internal controls or in other factors that could significantly affect those controls subsequent to the date the Chief Executive Officer and Chief Financial Officer completed their evaluation, nor were there any significant deficiencies or material weaknesses in the Company's internal controls requiring material corrective actions.

Management of the Company was required to apply its judgment in evaluating the cost-benefit relationship of possible controls and procedures. The result of the inherent limitations in all control systems means no evaluation of controls can provide absolute assurance that all control issues, errors and instances of fraud, if any, have been detected and that all of the objectives of the internal controls over financial reporting have been achieved or will be achieved in the future.

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<sup>1</sup> Realized Prices are Non-GAAP Financial Performance Measures. For further information and detailed reconciliations, please see the "Non-GAAP Financial Performance Measures" section of this MD&A.



## Non-GAAP Financial Performance Measures

### Gold equivalent ounces (GEO)

Gold equivalent ounces, or GEO, is calculated on a quarterly basis by converting the production of silver and copper into gold using a ratio of the prices of these metals to that of gold and then adding the result to the gold production. The prices used calculate the ratio are based on the average market prices of silver and copper during the period of reference.

			Q1 2024	Q4 2023	Q1 2023	FY 2023
GEO			9,550	15,567	13,815	57,250
Orovalle Metal Production	Gold	oz	7,994	12,427	10,711	46,259
	Copper	lbs ('000)	702	1,356	1,216	4,518
	Silver	oz	20,393	38,861	44,903	144,729
Average Metal Prices	Gold	\$/oz	1,975.87	1,928.61	1,729.21	1,880.95
	Copper	\$/lb	3.71	3.79	3.63	3.83
	Silver	\$/oz	23.23	23.57	21.18	22.88

### Free Cash Flow

Free cash flow is a non-GAAP financial performance measure that deducts capital expenditures from net cash provided by operating activities. Management believes this to be a useful indicator of our ability to operate without reliance on additional borrowing or usage of existing cash.

Free cash flow is intended to provide additional information only and does not have any standardized definition under IFRS and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. The measure is not necessarily indicative of operating profit or cash flow from operations as determined under IFRS. Other companies may calculate this measure differently. The following table reconciles this non-GAAP financial performance measure to the most directly comparable IFRS measure.

Orvana Consolidated	Q1 2024	Q4 2023	Q1 2023	FY 2023
Net cash provided by operating activities before working capital changes	\$1,208	\$4,107	\$2,648	\$16,291
Less CAPEX paid	\$2,472	\$2,106	\$3,087	\$11,666
Free Cash Flow	(\$1,264)	\$2,001	(\$439)	\$4,625

### COC and AISC

Total cash costs per ounce (COC) and all-in sustaining costs (AISC) per ounce are non-GAAP financial performance measures which are calculated based on the definition published by the World Gold Council (a market development organization for the gold industry comprised of and funded by gold mining companies from around the world, the "WGC"). The WGC is not a regulatory organization. Management uses these measures to monitor the performance of our gold mining operations and its ability to generate positive cash flow, both on an individual site basis and an overall company basis.

The Company believes that these performance measures more fully define the total costs associated with producing gold, copper and silver, however, these performance measures have no standardized meaning. Accordingly, they are intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS.

COC include total production cash costs incurred at the Company's mining operations, which form the basis of the Company's cash costs. AISC includes COC plus sustaining capital expenditures, corporate administrative expenses, costs of community relations, exploration and evaluation costs and reclamation cost accretion. Unitary costs do not include one-time costs nor one-time severance charges. The Company believes that this measure represents the total costs of producing gold from current operations and provides the Company and other stakeholders of the Company with additional information relating to the Company's operational performance and ability to generate cash flows. As the measure seeks to reflect the full cost of gold production from current operations, new project capital is not included in AISC.

The following table provides a reconciliation of COC and AISC (by-product) per ounce of gold sold for Orovalle for the periods set out below:

<b>Orovalle - Cash operating costs and all-in sustaining costs (by-product) <sup>(1)</sup> (in 000's)</b>	<b>Q1 2024</b>	<b>Q4 2023</b>	<b>Q1 2023</b>	<b>FY 2023</b>
<b>Mining Costs – Operating (sales based)</b>	<b>\$17,163</b>	<b>\$18,802</b>	<b>\$17,993</b>	<b>\$71,584</b>
Deductions, refining, treatment, penalties, freight & other costs	2,015	2,793	2,305	9,134
Copper sales - gross revenue value	(2,937)	(5,496)	(5,163)	(18,273)
Silver sales - gross revenue value	(522)	(988)	(995)	(3,539)
<b>Sub-total by-product revenue</b>	<b>(\$3,459)</b>	<b>(\$6,484)</b>	<b>(\$6,158)</b>	<b>(\$21,812)</b>
<b>Cash operating costs</b>	<b>\$15,719</b>	<b>\$15,111</b>	<b>\$14,140</b>	<b>\$58,906</b>
General & administrative costs	295	478	77	(74)
Reclamation, accretion & amortization	282	356	300	1,357
Primary development (sustaining)	834	1,909	1,564	6,721
Other sustaining capital expenditures <sup>(2) (3)</sup>	346	1,132	1,172	5,058
<b>All-in sustaining costs</b>	<b>\$17,476</b>	<b>\$18,986</b>	<b>\$17,253</b>	<b>\$71,968</b>
Au/oz sold	9,233	13,754	10,799	45,538
<b>Cash operating costs (\$/oz) gold</b>	<b>\$1,702</b>	<b>\$1,099</b>	<b>\$1,309</b>	<b>\$1,294</b>
<b>All-in sustaining costs (\$/oz) gold</b>	<b>\$1,893</b>	<b>\$1,380</b>	<b>\$1,598</b>	<b>\$1,580</b>

(1) Costs are reported per ounce of gold sold in the period.

(2) Sustaining capital expenditures are those expenditures which do not increase annual gold ounce production at a mine site and excludes all expenditures at the Company's projects and certain expenditures at the Company's operating sites which are deemed expansionary in nature.

(3) Capital expenditures include unpaid capital expenditures incurred in the period.

<b>Orvana Consolidated - Cash operating costs and all-in sustaining costs (by-product) <sup>(1)</sup> (in 000's)</b>	<b>Q1 2024</b>	<b>Q4 2023</b>	<b>Q1 2023</b>	<b>FY 2023</b>
Orovalle – Operating costs	17,163	18,802	17,993	71,584
EMIPA – Care & maintenance	764	740	847	3,283
<b>Total mining costs (sales based)</b>	<b>\$17,927</b>	<b>\$19,542</b>	<b>\$18,840</b>	<b>\$74,867</b>
Orovalle - Deductions, refining, treatment, penalties, freight & other costs	2,015	2,793	2,305	9,134
Orovalle - by-product revenue	(\$3,459)	(\$6,484)	(\$6,158)	(\$21,812)
<b>Cash operating costs</b>	<b>\$16,483</b>	<b>\$15,851</b>	<b>\$14,987</b>	<b>\$62,189</b>
General & administrative costs	1,860	151	1,159	1,731
Community costs	0	0	0	0
Reclamation, accretion & amortization	356	418	362	1,605
Exploration and study costs (sustaining)	0	0	0	0
Primary development (sustaining)	834	1,799	1,621	6,721
Other sustaining capital expenditures <sup>(2) (3)</sup>	346	1,128	1,195	5,106
<b>All-in sustaining costs</b>	<b>\$19,879</b>	<b>\$19,347</b>	<b>\$19,324</b>	<b>\$77,352</b>
Au/oz sold	9,233	13,754	10,799	45,538
<b>Cash operating costs (\$/oz) gold</b>	<b>\$1,785</b>	<b>\$1,152</b>	<b>\$1,388</b>	<b>\$1,366</b>
<b>All-in sustaining costs (\$/oz) gold</b>	<b>\$2,153</b>	<b>\$1,407</b>	<b>\$1,790</b>	<b>\$1,699</b>

(1) Costs are reported per ounce of gold sold in the period.

(2) Sustaining capital expenditures are those expenditures which do not increase annual gold ounce production at a mine site and excludes all expenditures at the Company's projects and certain expenditures at the Company's operating sites which are deemed expansionary in nature.

(3) Capital expenditures include unpaid capital expenditures incurred in the period.

## EBITDA

EBITDA is a non-GAAP financial performance measure, which excludes the following from net earnings:

- Income tax expense;
- Taxes provisions;

- Finance costs and income;
- Write-offs;
- Impairment adjustments; and
- Depreciation.

Management believes that EBITDA is a valuable indicator of our ability to generate liquidity by producing operating cash flow to fund working capital needs, service debt obligations, and fund capital expenditures. Management uses EBITDA for this purpose.

The following table provides a reconciliation of EBITDA to the Company's consolidated financial statement for their respective periods:

<i>(in 000's)</i>	<b>Q1 2024</b>	<b>Q4 2023</b>	<b>Q1 2023</b>	<b>FY 2023</b>
Net income (loss)	(\$7,202)	\$3,135	\$134	\$2,708
Less:				
Finance costs	(454)	(671)	(249)	(1,841)
Income taxes	(2,567)	(557)	1,160	566
Depreciation, amortization and write-offs	(4,212)	(5,617)	(3,463)	(17,530)
VAT provisions	(16)	(22)	(50)	(139)
EBITDA	\$47	\$10,002	\$2,736	\$21,652

#### Realized price per ounce/pound

Realized price is a non-GAAP financial measure which excludes from sales treatment and refining charges. We believe this provides investors and analysts with a more accurate measure with which to compare to market gold prices and to assess our gold, copper and silver sales performance. For those reasons, management believes that this measure provides a more accurate reflection of our Company's past performance and is a better indicator of its expected performance in future periods.

The realized price measure is intended to provide additional information, and does not have any standardized definition under IFRS and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. The measure is not necessarily indicative of sales as determined under IFRS. Other companies may calculate this measure differently. The following table reconciles realized prices to the most directly comparable IFRS measure.

<i>Gold</i>	<b>Q1 2024</b>	<b>Q4 2023</b>	<b>Q1 2023</b>	<b>FY 2023</b>
Gross revenue \$000s (a)	<b>\$18,788</b>	\$26,656	\$18,993	\$87,955
Ounces sold (b)	<b>9,517</b>	13,882	11,029	46,724
Liquidation adjustments (Oz.)	<b>(284)</b>	(128)	(230)	(1,186)
Net ounces sold	<b>9,233</b>	13,754	10,799	45,538
Realized gold price per ounce (a) / (b)	<b>\$1,974</b>	\$1,920	\$1,722	\$1,882

<i>Copper</i>	<b>Q1 2024</b>	<b>Q4 2023</b>	<b>Q1 2023</b>	<b>FY 2023</b>
Gross revenue \$000s (a)	<b>\$2,931</b>	\$5,606	\$4,497	\$17,679
Pounds sold (000s) (b)	<b>794</b>	1,478	1,241	4,621
Liquidation adjustments (000s Lb.)	<b>(24)</b>	(14)	(14)	(62)
Net Pounds sold (000s)	<b>770</b>	1,464	1,227	4,559
Realized gold price per pound (a) / (b)	<b>3.69</b>	3.79	\$3.62	3.83

<i>Silver</i>	<b>Q1 2024</b>	<b>Q4 2023</b>	<b>Q1 2023</b>	<b>FY 2023</b>
Gross revenue \$000s (a)	<b>\$525</b>	\$989	\$907	\$3,379
Ounces sold (b)	<b>22,589</b>	42,245	43,502	149,112
Liquidation adjustments (Oz.)	<b>(568)</b>	86	253	3,755
Net ounces sold	<b>22,021</b>	42,331	43,755	152,867
Realized gold price per ounce (a) / (b)	<b>23.24</b>	23.42	\$20.86	22.66

  

<i>Gross revenue vs Net revenue reconciliation</i>	<b>Q1 2024</b>	<b>Q4 2023</b>	<b>Q1 2023</b>	<b>FY 2023</b>
Gross revenue \$000s	<b>\$22,244</b>	\$33,251	\$24,397	<b>\$109,013</b>
Liquidation & mark to market adjustments	<b>(\$105)</b>	(\$616)	\$886	<b>(\$757)</b>
Deductions & other	<b>(\$2,015)</b>	(\$2,793)	\$(2,305)	<b>(\$9,134)</b>
Net revenue	<b>\$20,124</b>	\$29,842	\$22,978	<b>\$99,122</b>

## Geological Information

The geological scientific and technical information contained in this MD&A has been reviewed and approved by:

### Orovalle:

- Ms. Guadalupe Collar (European Geologist), Chief of Geology at Orovalle, a qualified person as defined in NI 43-101.

### Don Mario and Taguas:

- Mr. Raúl Álvarez (European Geologist), Director of Exploration and Technical Services, a qualified person as defined in NI 43-101.

## Other Information

Other operating and financial information with respect to the Company, including the AIF, is available on SEDAR at [www.sedarplus.ca](http://www.sedarplus.ca) and on the Company's website at [www.orvana.com](http://www.orvana.com).

## Cautionary Statements – Forward-Looking Information

Certain statements in this MD&A constitute forward-looking statements or forward-looking information within the meaning of applicable securities laws ("forward-looking statements"). Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions, potentials, future events or performance (often, but not always, using words or phrases such as "believes", "expects", "plans", "estimates" or "intends" or stating that certain actions, events or results "may", "could", "would", "might", "will" or "are projected to" be taken or achieved) are not statements of historical fact, but are forward-looking statements.

The forward-looking statements herein relate to, among other things, Orvana's ability to achieve improvement in Free Cash Flow<sup>1</sup>; the ability to maintain expected mining rates and expected throughput rates at El Valle plant; the potential to extend the mine life of El Valle and Don Mario beyond their current life-of-mine estimates including specifically, but not limited to in the case of Don Mario, the processing of the mineral stockpiles (OSP) and the reprocessing of the tailings material; Orvana's ability to optimize its assets to deliver shareholder value; the Company's ability to optimize productivity at Don Mario and El Valle; EMIPA's ability to finance the OSP, including without limitation, the completion of the planned bonds issuance program in the Bolivian stock market;

<sup>1</sup> Free Cash Flow is Non-GAAP Financial Performance Measures. For further information and detailed reconciliations, please see the "Non-GAAP Financial Performance Measures" section of this MD&A.

EMIPA's ability to complete the construction of the OSP in a timely manner and operate same for the estimated periods; Orovalle's ability to complete the permitting process of the El Valle tailings storage facility increasing the storage capacity; Orovalle's ability to complete the stabilization project of the legacy open pit wall; estimates of future production, operating costs and capital expenditures; mineral resource and reserve estimates; statements and information regarding future feasibility studies and their results; future transactions; future metal prices; the ability to achieve additional growth and geographic diversification; future financial performance, including the ability to increase cash flow and profits; and future financing requirements and mine development plans.

Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable by the Company as of the date of such statements, are inherently subject to significant business, economic and competitive uncertainties and contingencies. The estimates and assumptions of the Company contained or incorporated by reference in this MD&A, which may prove to be incorrect, include, but are not limited to, the various assumptions set forth herein or as otherwise expressly incorporated herein by reference as well as: there being no significant disruptions affecting operations, whether due to labour disruptions, supply disruptions, power disruptions, damage to equipment or otherwise; permitting, development, operations, expansion and acquisitions at El Valle and Don Mario being consistent with the Company's current expectations; political developments in any jurisdiction in which the Company operates being consistent with its current expectations; certain price assumptions for gold, copper and silver; prices for key supplies being approximately consistent with current levels; production and cost of sales forecasts meeting expectations; the accuracy of the Company's current mineral reserve and mineral resource estimates; labour and materials costs increasing on a basis consistent with Orvana's current expectations; and the availability of necessary funds to execute the Company's plan. Without limiting the generality of the foregoing, this MD&A also contains certain "forward-looking statements" within the meaning of applicable securities legislation, including, without limitation, statements with respect to the results of the Company's exploration activities, including but not limited to drilling results and analyses, the mineral resource estimation, conceptual mine plan and operations, internal rate of return, sensitivities, taxes, net present value, potential recoveries, design parameters, operating costs, capital costs, production data and economic potential; the timing and costs for production decisions; permitting timelines and requirements; exploration and planned exploration programs; the potential for discovery of additional mineral resources; timing for completion of a feasibility study; timing for first gold production at Taguas; identifying additional resources beyond the replenishment of annual depletion rates at El Valle for the extension of mine life; issuing an expanded resource PEA for Taguas in a timely manner; completion of the infill drilling program at Taguas; making a decision on the oxides stockpile at Don Mario in a timely manner; and the Company's general objectives and strategies.

A variety of inherent risks, uncertainties and factors, many of which are beyond the Company's control, affect the operations, performance and results of the Company and its business, and could cause actual events or results to differ materially from estimated or anticipated events or results expressed or implied by forward looking statements. Some of these risks, uncertainties and factors include the potential impact of the COVID-19 and other infectious diseases on the Company's business and operations, including: our ability to continue operations; our ability to manage challenges presented by COVID-19 and other infectious diseases; the accounting treatment of COVID-19 and other infectious diseases related matters; Orvana's ability to prevent and/or mitigate the impact of COVID-19 and other infectious diseases at or near our mines; the Company's ability to support the sustainability of its business including through the development of crisis management plans, increasing stock levels for key supplies, monitoring of guidance from the medical community, and engagement with local communities and authorities; the general economic, political and social impacts of the continuing conflict between Russia and Ukraine, our ability to support the sustainability of our business including through the development of crisis management plans, increasing stock levels for key supplies, monitoring of guidance from the medical community, and engagement with local communities and authorities; fluctuations in the price of gold, silver and copper; the need to recalculate estimates of resources based on actual production experience; the failure to achieve production estimates; variations in the grade of ore mined; variations in the cost of operations; the availability of qualified personnel; the Company's ability to obtain and maintain all necessary regulatory approvals and licenses; the Company's ability to use cyanide in its

mining operations; risks generally associated with mineral exploration and development, including the Company's ability to continue to operate the El Valle and/or ability to resume long-term operations at the Carlés Mine; the Company's ability to successfully implement a sulphidization circuit and ancillary facilities to process the current oxides stockpiles at Don Mario; the Company's ability to successfully carry out development plans at Taguas; sufficient funding to carry out development plans at Taguas and to process the oxides stockpiles at Don Mario and/or ability to resume long-term operations at the Carlés Mine; the Company's ability to acquire and develop mineral properties and to successfully integrate such acquisitions; the Company's ability to execute on its strategy; the Company's ability to obtain financing when required on terms that are acceptable to the Company; challenges to the Company's interests in its property and mineral rights; current, pending and proposed legislative or regulatory developments or changes in political, social or economic conditions in the countries in which the Company operates; general economic conditions worldwide, including fluctuating operational cost, such as, but not limited to, power supply cost and evolving inflation rates; current and future environmental matters; and the risks identified in the Company's AIF under the heading "Risks and Uncertainties". This list is not exhaustive of the factors that may affect any of the Company's forward-looking statements and reference should also be made to the Company's AIF for a description of additional risk factors.

The forward-looking statements made in this MD&A with respect to the anticipated development and exploration of the Company's mineral projects are intended to provide an overview of management's expectations with respect to certain future activities of the Company and may not be appropriate for other purposes.

Forward-looking statements are based on management's current plans, estimates, projections, beliefs and opinions and, except as required by law, the Company does not undertake any obligation to update forward-looking statements should assumptions related to these plans, estimates, projections, beliefs and opinions change. Readers are cautioned not to put undue reliance on forward-looking statements.

#### **Cautionary Notes to Investors – Reserve and Resource Estimates**

In accordance with applicable Canadian securities regulatory requirements, all mineral reserve and mineral resource estimates of the Company disclosed in this MD&A have been prepared in accordance with NI 43-101, and classified in accordance with Canadian Institute of Mining Metallurgy and Petroleum's "CIM Standards on Mineral Resources and Reserves Definitions and Guidelines" (the "CIM Guidelines").

Pursuant to the CIM Guidelines, mineral resources have a higher degree of uncertainty than mineral reserves as to their existence as well as their economic and legal feasibility. Inferred mineral resources, when compared with measured or indicated mineral resources, have the least certainty as to their existence, and it cannot be assumed that all or any part of an inferred mineral resource will be upgraded to an indicated or measured mineral resource as a result of continued exploration. Pursuant to NI 43-101, inferred mineral resources may not form the basis of any economic analysis, including any feasibility study. Accordingly, readers are cautioned not to assume that all or any part of a mineral resource exists, will ever be converted into a mineral reserve, or is or will ever be economically or legally mineable or recovered.

Unless otherwise noted, mineral reserve and mineral resource estimates are as disclosed in the Annual Information Form of the Company dated December 20, 2023.