



("K92" or "the Company")

FORM 51-102F1

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2024

Introduction

This Management's Discussion and Analysis ("MD&A") of K92 Mining Inc. (including its wholly owned subsidiaries, K92 Holdings International Limited (incorporated in British Virgin Islands), K92 Mining (Australia) Pty Ltd. (incorporated in Australia), K92 Mining Ltd. (incorporated in Papua New Guinea), and Kainantu Employee Trust Ltd. (incorporated in Canada)) is the responsibility of management and covers the nine months ended September 30, 2024. The MD&A takes into account information available up to and including November 13, 2024 and should be read together with the unaudited condensed consolidated interim financial statements for the nine months ended September 30, 2024, which have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS) applicable to the preparation of interim financial statements, including IAS 34, Interim Financial Reporting, and is presented in thousands of United States dollars, except share and per share amounts, or unless otherwise indicated.

Throughout this document the terms *we*, *us*, *our*, *the Company* and *K92* refer to K92 Mining Inc.

Additional information related to the Company is available for view on SEDAR+ at www.sedarplus.ca and on the Company's website at www.k92mining.com.

This document contains forward-looking statements. Please refer to "Note Regarding Forward-Looking Statements." Forward-looking statements are necessarily based on estimates and assumptions that are inherently subject to known and unknown risks, uncertainties and other factors, many of which are beyond our ability to control, that may cause our actual results, level of activity, performance or achievements to be materially different from those expressed or implied by such forward-looking information. Please refer to the "Risk Factors" section included in the Company's Annual Information Form.

Description of Business

K92 Mining Inc. was incorporated pursuant to the provisions of the Business Corporations Act (British Columbia) on March 22, 2010. The Company's shares are listed on the Toronto Stock Exchange (TSX) under the symbol "KNT" and quoted on the OTCQX under the symbol "KNTNF". The Company is currently engaged in the production of gold, copper and silver at the Kainantu Gold Mine as well as exploration and development of mineral deposits in the immediate vicinity of the mine, including Blue Lake, in Papua New Guinea.

Summary of Key Operating and Financial Results

<i>(in thousands of United States Dollars, except per share amounts)</i>		Three months ended September 30, 2024	Three months ended September 30, 2023	Nine months ended September 30, 2024	Nine months ended September 30, 2023
Operating data					
Ore mined	t	112,333	124,236	322,595	351,256
Ore processed	t	104,992	121,201	331,206	351,575
Feed grade	g/t	13.0	6.2	8.8	6.5
Gold produced	oz	41,702	22,227	87,752	67,225
Gold equivalent produced ¹	oz	44,304	26,225	96,113	78,507
Gold sold	oz	45,248	18,339	92,308	64,082
Cash costs per gold ounce sold ²	\$/oz	584	684	759	666
All-in sustaining costs per gold ounce sold ²	\$/oz	941	1,300	1,187	1,214
Financial data					
Revenue	\$	122,749	32,814	230,338	124,939
Cost of sales	\$	41,024	22,513	109,655	75,449
Net earnings	\$	46,496	(619)	55,700	13,183
Cash flow from operating activities	\$	70,360	11,075	111,100	42,890
Cash, ending balance	\$	120,326	79,913	120,326	79,913
Basic earnings per share	\$/sh	0.20	(0.00)	0.24	0.06
Diluted earnings per share	\$/sh	0.19	(0.00)	0.23	0.06

Performance Summary

Operational – Nine Months Ended September 30, 2024 (“YTD Q3 2024”)

- Gold Production:** 87,752 ounces of gold or 96,113 ounces of gold equivalent (“AuEq”) produced in YTD Q3 2024, compared to 67,225 ounces of gold or 78,507 ounces of AuEq produced in YTD Q3 2023. The increase in gold production is primarily due to higher head grades, an improvement in recovery and a positive grade reconciliation for both gold and copper versus the latest Independent Mineral Resource Model. The increase in production occurred despite the temporary suspension of operations for approximately a month due to a non-industrial fatal incident (*see March 19 and April 8, 2024, press releases*), which significantly impacted March and April production. During the three months ended September 30, 2024 (“Q3 2024”), the Company achieved record quarterly production of 41,702 ounces of gold or 44,304 ounces of AuEq.¹
- Ore Mined:** 322,595 tonnes of ore mined in YTD Q3 2024, representing an 8% decrease compared to 351,256 tonnes mined in YTD Q3 2023, primarily due to the temporary suspension of underground operations as noted above.
- Ore Processed:** 331,206 tonnes of ore processed in YTD Q3 2024, representing a 6% decrease compared to the 351,575 tonnes in YTD Q3 2023. In Q3 2024, throughput was deliberately reduced to maximize recoveries at the higher feed grade.
- Metallurgical Recoveries:** 93.0% gold and 93.7% copper recoveries in YTD Q3 2024, compared to 91.1% gold and 92.2% copper recoveries in YTD Q3 2023. For Q3 2024, recoveries averaged 95.3% gold and near-record recoveries of 95.1% for copper, with September 2024 achieving record monthly gold recoveries of 96.5% and copper recoveries of 95.9%.

¹ Gold equivalent calculated based on gold \$2,328 per ounce (2023 - \$1,938), silver \$27.10 per ounce (2023 - \$23.46) and copper \$4.12 per pound (2023 - \$3.89).

- **Mine Development:** Total mine lateral development of 5,829 meters in YTD Q3 2024. Development rates are expected to increase significantly in the near term due to several factors: completion of key infrastructure projects (interim ventilation upgrade operational by Q4 2024, Puma ventilation drive with two 2 MW fans by Q2 2025, and first ore/waste pass by early 2025); an increase in available headings and productivity as two mining fronts are opened (twin incline and below the main mine); the phased introduction of additional jumbos and equipment already on site; and execution of identified productivity initiatives.
- **Head Grade:** 8.8 g/t gold, 0.58% copper, and 11.3 g/t silver (9.7 g/t AuEq) in YTD Q3 2024. In Q3 2024, the gold equivalent head grade was the highest since Q4 2020, coming in above budget at 13.8 g/t AuEq, with 13.0 g/t gold, 0.58% copper, and 13.0 g/t silver due to timing of mining higher grade stopes.
- **Cash Costs:** \$759 per gold ounce in YTD Q3 2024 versus \$666 per gold ounce in YTD Q3 2023. The increase was primarily due to higher cost of sales compared to the prior period, driven by lower capitalized development: \$35.8 million in YTD Q3 2023 versus \$21.5 million in YTD Q3 2024, offset by an increase in gold ounces sold, increasing from 64,082 ounces in YTD Q3 2023 to 92,308 ounces in YTD Q3 2024.²
- **All-in Sustaining Costs:** \$1,187 per gold ounce in YTD Q3 2024 versus \$1,214 per gold ounce in YTD Q3 2023. The decrease is primarily due to the increase in gold ounces sold, offset by the higher costs of sales referenced earlier.²

Financial – YTD Q3 2024

- **Revenue:** The company generated \$218.6 million in revenue in YTD Q3 2024, an increase of \$88.1 million from YTD Q3 2023 (\$130.5 million) before pricing and quantity adjustments. Net revenue, which includes fair value adjustments to settlement receivables, was \$230.3 million in YTD Q3 2024 compared to \$124.9 million in YTD Q3 2023. Sales of gold in concentrate and doré increased by 44% to 92,308 ounces in YTD Q3 2024 from 64,082 ounces in YTD Q3 2023, resulting in \$57.9 million in higher revenues. Additionally, a 21% increase in the average payable gold price (from \$1,854/ounce in YTD Q3 2023 to \$2,246/ounce in YTD Q3 2024) contributed \$30.6 million in additional revenue.³
- **Cash and Short-term Treasuries:** \$120.3 million as of September 30, 2024, compared to \$79.1 million as of December 31, 2023. During the period, the Company spent \$75.2 million on expansion capital, \$12.6 million on exploration activities, and purchased \$20.0 million in term deposits held as restricted cash.⁴
- **Operating Cash Flow:** \$98.4 million in operating cash flow (prior to working capital adjustments) in YTD Q3 2024 compared to \$43.5 million in YTD Q3 2023.⁵
- **Gross Margins:** 50% before and 52% after pricing adjustments in YTD Q3 2024, compared to 42% and 40%, respectively, in YTD Q3 2023. The improvement was primarily driven by an increase in gold ounces sold and higher average payable gold prices.⁶
- **EBITDA:** \$113.1 million in YTD Q3 2024, compared to \$43.4 million in YTD Q3 2023.²

² Non-IFRS – the definition and reconciliation of these measures are included in the non-IFRS performance measures section of this MD&A.

³ Average payable gold price is calculated by the average finalized gold price during the period multiplied by the payable percentage under the off-take agreement.

⁴ Expansion capital is calculated as the costs associated with the Twin Incline, Puma Ventilation Drive, Stage 3 Expansion, and other expansion where these projects are anticipated to increase future production.

⁵ Non-IFRS performance measure. Operating cash flow (prior to working capital adjustments) is calculated as the net cash provided by operating activities less the changes in non-cash working capital items.

⁶ Non-IFRS performance measure. Gross margin before pricing adjustments is calculated using earnings from operations excluding pricing adjustments divided by revenue excluding pricing adjustments.

- **Income Tax Payments:** \$11.0 million in YTD Q3 2024 compared to \$8.3 million in YTD Q3 2023. Subsequent to September 30, 2024, the Company made an additional tax installment of \$17.9 million to the Papua New Guinea government for a total of \$28.9 million.

Expansion – YTD Q3 2024

- Updated Integrated Development Plan (“IDP”): On October 16, 2024, the Company announced the results of the updated IDP for its Kainantu Gold Mine Project. The IDP comprises two scenarios:
 - Kainantu Stage 3 Expansion Definitive Feasibility Study Case (“DFS” or “DFS Case”)
 - **Throughput Increase:** The DFS Case evaluates the Stage 3 Expansion to 1.2 million tonnes per annum (“mtpa”), representing a 100% throughput increase from the 600,000 tpa Stage 2A Expansion throughput.
 - **New Process Plant:** Stage 3 involves a new standalone 1.2 mtpa process plant and supporting infrastructure, which is currently under construction
 - **Mining Focus:** Kora Central Zone within the Kora Deposit and Judd Deposit, utilizing a cut-off grade of 3.5 g/t AuEq.
 - **Economic Metrics:** After-tax NPV5% of \$680 million at \$1,900 per ounce gold, rising to an after-tax NPV5% of \$1.2 billion at \$2,600 per ounce gold.
 - **Production:** Average annual run-rate production of 303,288 ounces AuEq per annum, run-rate achieved in 2027 and a peak annual production of 319,360 ounces AuEq in 2027.
 - **Costs:** Life of Mine average cash costs of \$380 per gold ounce or \$694 per AuEq ounce and AISC of \$665 per gold ounce or \$920 per AuEq ounce over a 7-year mine life.
 - **Capital Expenditure:** Growth capital cost of \$194 million and life of mine sustaining capital cost of \$337 million.
 - Kainantu Stage 4 Expansion Preliminary Economic Assessment Case (“PEA” or “PEA Case”)
 - **Throughput Increase:** The alternate PEA Case evaluates two-stages of expansions to a run-rate throughput of 1.8 mtpa, a 200% increase from the 600,000 tpa Stage 2A Expansion.
 - **Process Plants:** Stage 4 involves two standalone process plants, larger surface infrastructure.
 - **Mining Focus:** Kora Upper, Lower, and Central Zones within the Kora Deposit, and the Judd Deposit, with a cut-off grade of 4.0 g/t AuEq.
 - **Economic Metrics:** After-tax NPV5% of \$2.3 billion at \$1,900 per ounce gold, rising to an after-tax NPV5% of \$3.5 billion at \$2,600 per ounce gold.
 - **Production:** Average annual run-rate production of 413,593 ounces AuEq per annum, run-rate achieved in 2028 and a peak annual production of 484,692 ounces AuEq in 2034.
 - **Costs:** Life of Mine average cash costs of \$174 per gold ounce or \$633 per AuEq ounce and AISC of \$432 per gold ounce or \$822 per AuEq ounce over a 14-year mine life.
 - **Capital Expenditure:** Growth capital costs of \$201 million and life of mine sustaining capital costs of \$900 million.
- **Stage 3 Expansion Progress:** Construction on the Stage 3 Expansion Plant is advancing well, with steelwork, mechanical, and piping activities progressing alongside the completion of civil works. All long-lead items, except for flash flotation, have been delivered to the site. The Company aims to commence commissioning the Stage 3 Expansion Plant in the second half of Q2 2025.
- **Pastefill Plant:** Both the DFS and PEA cases incorporate tailings management upgrades through the construction of a pastefill plant to provide improved underground backfill support and reduce surface tailings deposition needs. Commissioning of the pastefill plant is expected in Q3 2025.
- **Exploration and Drilling Operations:** Exploration is primarily focused on resource growth, with up to 11 drill rigs operating at Kora, Kora South, Judd, Judd South, Arakompa, and the A1 porphyry target.

- **Vertical Development:** The Company has achieved a significant milestone by commencing vertical development with two raise bore rigs. In Q3 2024, the larger raise bore rig successfully completed boring a 240 metre shaft which is part of a major ventilation upgrade, linking the main mine to the twin incline. The Company has now begun the development of the ore and waste pass system to connect the main mine to the twin incline infrastructure for efficient material transport. The smaller raise bore rig continues to focus on completing short raises between levels, providing ventilation, escapeways, and essential service infrastructure.

Corporate – YTD Q3 2024

- **Loan Agreement with Trafigura:** On June 19, 2024, K92 Mining Inc. and K92 Mining Limited entered into two separate credit facilities with Trafigura Pte Ltd (“**Trafigura**”), whereby each K92 company can borrow up to \$100.0 million but together only up to \$120.0 million (together the “**Loan**”), with an accordion feature (the “**Accordion Feature**”) that allows for an increase in the aggregate amount available to \$150.0 million. The Accordion Feature becomes effective by mutual agreement between the Company and Trafigura.

The Loan matures on June 19, 2028 and bears interest at the applicable reference rate based on the Secured Overnight Financing Rate (“**SOFR**”) plus a margin of 3.4%. Principal payments are due quarterly in equal instalments on March 31, June 30, September 30 and December 31 of each year beginning September 30, 2025. Interest is treated on an accrual basis, with interest payable at the end of each three-month period commencing after the withdrawal date. The Loan has been designated as a financial liability at amortized cost and is recorded net of transaction costs. Transaction costs associated with the Loan were \$1.1 million and amortized over the life of the Loan.

All conditions precedent for the advance of \$100 million under the K92 Mining Inc. credit facility (“**Canadian Credit Facility**”) and up to \$20 million under the K92 Mining Limited credit facility (the “**PNG Credit Facility**”) were satisfied. The Canadian Credit Facility is secured by a pledge of the shares in the Company’s subsidiaries and, in the event of a default, contains a conversion right into common shares of the Company. The Company drew \$40.0 million from the Canadian Credit Facility on June 26, 2024.

The PNG Credit Facility is secured by \$20 million in restricted cash, provided through an advance under the Canadian Credit Facility. At September 30, 2024, the Company held restricted cash of \$20.0 million, consisting of term deposits designated for security under the Canadian Credit Facility. The Company drew \$20.0 million from the PNG Credit Facility on July 18, 2024.

The Loan is intended for general corporate purposes, working capital, and capital expenditures.

- **New Offtake Agreement:** Concurrently on June 19, 2024, the Company's Papua New Guinea subsidiary, K92 Mining Limited., entered into a new offtake agreement (the “**New Offtake Agreement**”) with the Trafigura, replacing the amended offtake agreement announced on September 26, 2023, which did not come into effect (the “**Amended and Restated Offtake Agreement**”). Key terms of the New Offtake Agreement remain substantially the same as the Amended and Restated Offtake Agreement described in the Company’s September 26, 2023 press release. The New Offtake Agreement is a revision to the existing offtake agreement which remains in effect until December 31, 2025. From that date, the New Offtake Agreement will commence and continue for an additional seven consecutive calendar years, or until a minimum of 600,000 dry metric tons of concentrate have been delivered. Under the New Offtake Agreement, Trafigura will purchase gold and copper concentrates from the Kainantu Gold Mine in Papua New Guinea at London Metals Exchange spot prices, with terms materially better than existing terms and those included in the Kainantu Integrated Development Plan and Preliminary Economic Assessment (refer to the September 12, 2022, press release - *K92 Mining Inc Announces Robust Kainantu Gold Mine Integrated Development Plan*). The New Offtake Agreement has received regulatory approval in Papua New Guinea subject to compliance with certain conditions, including but not limited to, K92 Mining Limited observing the conditions of its gold export license.

- **Short-Term Commodity Contracts:** Reduced exposure to gold price fluctuations during the provisional pricing period (the “**Quotational Period**”) by entering into short-term commodity contracts with a total of 38,994 gold oz hedged at September 30, 2024. The Company currently hedges out three months to cover fluctuations during the Quotational Period, resulting in a \$8.4 million loss on derivative instruments recognized during the nine months ended September 30, 2024.

Last 4 Quarters of Production Data

		2023		2024		
		Quarter 4	Quarter 1	Quarter 2	Quarter 3	Total
Tonnes processed	t	151,908	130,632	95,582	104,992	483,114
Feed grade Au	g/t	7.4	6.4	7.5	13.0	8.4
Feed grade Cu	%	0.87	0.55	0.62	0.58	0.67
Recovery (%) Au	%	91.7	90.7	93.7	95.3	92.6
Recovery (%) Cu	%	93.6	91.9	95.3	95.1	93.8
Metal in concentrate produced Au	oz	33,309	24,389	21,661	41,702	121,061
Metal in concentrate produced Cu	t	1,238	655	565	580	3,038
Metal in concentrate produced Ag	oz	56,502	35,650	26,754	37,613	156,519
Gold equivalent ounces produced	oz	39,101	27,462	24,347	44,304	135,214

2024 Operational Outlook

- Gold equivalent production between 120,000 and 140,000 ounces (YTD Q3 2024: 96,113). The Company has achieved 80% of the lower end of its annual AuEq production guidance within the first 9 months of the year and is well-positioned to meet 2024 operational guidance.
- Cash costs from \$820 to \$880 per ounce gold (YTD Q3 2024: \$759) and AISC costs from \$1,440 and \$1,540 per ounce gold (YTD Q3 2024: \$1,187). Cash costs and AISC have moderately increased compared to last year's guidance, primarily due to the acceleration of operating capital and capitalized development in anticipation of the Stage 3 Expansion. This increase also reflects the shift of certain development and equipment acquisitions, originally planned for 2023, to 2024.
- Exploration expenditures between \$17 - \$20 million (YTD Q3 2024: \$12.6 million). Surface exploration will target Arakompa, Kora South, Judd South, and the A1 porphyry. Meanwhile, underground drilling will concentrate on the Kora, Kora South, Kora Deeps, Judd, Judd South, Judd Deeps, and Northern Deeps targets.
- Growth capital is forecasted at \$145 to \$160 million for 2024 (YTD Q3 2024: \$61.8 million) and \$40 to \$50 million for 2025.

For the Stage 3 and 4 Expansions, the schedule has been optimized, deferring non-critical infrastructure costs to 2025. This strategic adjustment reduces the site's peak manpower requirements and lessens the demand on camp accommodations while preserving the critical path for expansion.

Total growth capital is now forecasted to be \$210 million. This represents a 12% increase from the initial projections in the Stage 4 Expansion Preliminary Economic Assessment as outlined in the Integrated Development Plan. The moderate increase is attributed to global cost inflation over the past two years since the study's effective date of January 1, 2022, and minor scope changes.

Operations

The Company holds the mining rights to Mining Lease 150 which is due for renewal on June 13, 2034.

During Q3 2024, the Company produced 44,304 ounces AuEq or 41,702 ounces of gold, 1,278,492 pounds of copper and 37,613 ounces of silver.

During Q3 2024, the process plant processed 104,992 tonnes, with a head grade averaging 13.8 g/t AuEq or 13.0 g/t gold, 0.58% copper and 13.0 g/t silver. Gold equivalent head grade was the highest since Q4 2020. Gold grades were above budget driven by higher grade stopes previously scheduled for Q2 being mined in Q3, in addition to a moderate positive gold grade reconciliation when compared with the Independent Mineral Resource Model for both gold and copper. Throughput was deliberately reduced to maximize recoveries at the higher feed grade.

Strong metallurgical recoveries were also achieved, with record recoveries for gold, averaging 95.3%, and near-record recoveries of 95.1% for copper during the quarter, and a record monthly gold recovery of 96.5% and copper recovery of 95.9% in September, exceeding the recovery parameters stated in the Integrated Development Plan of 93.0% and 95.0% for gold and copper, respectively (January 2022 effective date).

In Q3 2024, the mine delivered 112,333 tonnes of ore mined, with 9 levels mined, including the 1225, 1285, 1305, 1325, and 1345 levels at Kora, and the twin incline level, 950, 1170, 1185, 1205, and 1305 levels at Judd. Long hole open stoping performed to design. Overall mine development achieved a total of 2,190 metres. Development rates are expected to significantly increase in the near-term driven by: the sequential completion of multiple infrastructure projects over the next 3 quarters (interim ventilation upgrade operational – Q4 2024, Puma ventilation drive for life of mine with two x 2 MW fans operational – Q2 2025, first ore pass/waste pass – early 2025); significant increase to available headings and advance productivities as two mining fronts are opened up (twin incline and front below the main mine); progressive introduction of multiple jumbos and equipment that are already on site as available headings increase, and; the execution of various identified productivity initiatives.

During Q3 2024, the 5-metre diameter, 221.4-metre-long raise bore for the interim ventilation upgrade was completed. Multiple smaller raises were also completed. Raise bore piloting and reaming advance rates have notably exceeded budget to date.

Capital Expenditure

Stage 3 Expansion

In December 2022, the Company announced the Kainantu Gold Mine's Stage 3 and 4 expansions. The Stage 3 expansion is set to increase annual throughput to 1.2 million tonnes per annum ("**mtpa**"), with the Stage 4 expansion aiming for 1.8 mtpa. These expansions represent increases of 100% and 200%, respectively, compared to the 600,000 tpa Stage 2A expansion throughput.

Construction on the Stage 3 Expansion Plant is advancing well, with steelwork, mechanical, and piping activities progressing alongside the completion of civil works. All long-lead items, except for flash flotation, have been delivered to the site. The Company aims to commence commissioning the Stage 3 Expansion Plant in the second half of Q2 2025.

Twin Incline Development

Development of the Twin Incline is focused primarily on extending the Level 950 incline to establish a connection with the main mine, which is simultaneously being developed from Level 1090 downward.

The Company has achieved a major milestone commencing vertical development from two raise bore rigs. The larger raise bore rig completed a major ventilation upgrade connecting the main mine to the twin incline in Q3 2024 and has begun developing the ore and waste pass system to connect the main mine to the twin incline infrastructure for material transport. The smaller raise bore rig is completing short raises between levels for ventilation, escapeways and services infrastructure.

The Twin Incline is set to serve as a critical component of the mine's access infrastructure. This development will significantly bolster production capabilities, supporting the requirements of the Stage 3 and Stage 4 Expansions, and is also expected to accommodate further expansions in the future.

Puma Ventilation Incline

The Puma ventilation incline is scheduled for completion in late Q1 2025 / early Q2 2025. Upon completion of the ventilation upgrade, the original Puma incline—currently serving as the mine's main exhaust—will be repurposed as an intake for the mine.

Exploration

Underground grade control and exploration

Kora and Judd Vein System

The Company continued its exploration diamond drilling program from underground using, on average, two Company owned drill rigs at the Kora and Judd deposits for exploration (remaining four, on average, used for grade control and upgrading inferred to measured and indicated resource). Since the last mineral resource estimate (“MRE”) for the Kora and Judd Vein System, effective date of September 12, 2023, the Company has added another 192 drill holes into the Kora and Judd deposits. The drill density is suitable for both resource definition and expansion. The Kora/Judd drilling continues to encounter the Kora and Judd lode systems in both underground and surface drilling.

Please see the Company's news release dated December 5, 2023, '*K92 Mining Reports Updated Kora and Judd Resource Estimate - Measured and Indicated Resource of 2.6 Moz AuEq and Inferred Resource of 4.5 Moz AuEq*' for the latest resource estimate update at the Kora and Judd deposits.

Please see the Company's news release, dated May 6, 2024, '*K92 Mining Announces Latest Drilling Results Extending Multiple High-Grade Zones and New Dilatant Zone Discovered*' for the latest released drill results from the underground and surface diamond drilling programs at Kora and Judd.

The Kora and Judd Vein Systems run parallel to each other, Judd is situated to the east of Kora. The mineralization style of Kora and Judd are similar, characterized mainly by gold-copper-silver sulphide veins, similar to an Intrusion Related Gold Copper (IRGC) deposit type. The company continues its underground and surface drilling programs to explore the extents of the Kora and Judd Vein Systems, focusing on unexplored/ open areas to the South along strike, and down dip at depth.

Ore extraction from is ongoing from both Kora and Judd, via development and long hole stoping.

Surface Exploration

Exploration drilling was conducted at Kora South/Judd South (EL470) and Arakompa (EL693). During Q3 2024, 12 holes were completed and an additional 5 are currently in progress, totaling 4,113.6 metres.

Surface geochemical sampling and detailed geological mapping has started at one new prospect, Onenofi (EL2620). Reconnaissance and rock chip sampling started at two new prospects, Aiyonora (EL2753) and Kanampa (EL2620). Surface geochemical sampling has continued at Arakompa (EL693) and has continued at Mati-Mesoan (EL693/EL470). A total of 2,189 geochemical samples were collected.

Arakompa (EL693)

Drilling has continued at Arakompa with up to four rigs targeting the strike and depth extent of the lodes. Drilling continues to be promising as the drilling has highlighted significant depth and strike continuity of the mineralization. During Q3 2024, 12 holes were completed and an additional 4 are currently in progress, totaling 4,113.6 metres.

Kora South/Judd South (EL470)

One diamond rig has started the Kora Deeps program during Q3 2024 to test the depth and strike extension of the Kora and Judd lodes, immediately SW and along strike of ML150. During Q3 2024, one hole is currently in progress, and currently at 1,200 meters depth. Drilling to date has continued to extend the Kora/Judd Vein system beyond the limits of the current Mining Lease.

Qualified Persons

K92 Mine Geology and Mine Exploration manager, Andrew Kohler, PGeo, a qualified person under the meaning of Canadian National Instrument 43-101 – Standards Disclosure for Mineral Projects (“NI 43-101”), has reviewed and is responsible for the technical content in the underground grade control and exploration section of the MD&A. Data verification by Mr. Kohler includes significant time onsite reviewing drill core, face sampling, underground workings, and discussing work programs and results with geology and mining personnel.

K92 Executive Vice President of Exploration Chris Muller, PGeo, a qualified person under the meaning of NI 43-101, has reviewed and is responsible for the technical content in the surface exploration sections of this MD&A. Data verification by Mr. Muller includes significant time on site reviewing drill core, soil and outcrop sampling, artisanal workings, as well as discussing work programs and results with geology personnel and external consultants.

Community Relations*Memorandum of Agreement (“MOA”)*

The Company continues to work towards signing a revised MOA. The MOA provides a framework for the relationship between the Company, the Community, and Government and sets out commitments from the various parties. In July 2020, the Company had a formal MOA meeting involving local landowners, the State, and the Provincial Government. Attending the meeting were representatives from local clans, the PNG Mining Minister, the Managing Director of the Mineral Resources Authority of PNG, and the Provincial Governor. In principle, the parties agreed on a revised MOA, which requires approval from the National Executive Council of the PNG Government. The original MOA framework will remain in place as mining operations and associated expansions continue, until a new MOA is formally approved.

Community Programs

The Company has been actively engaged in community programs aimed at improving the quality of life for local communities. The programs to support community development include freshwater systems, road maintenance, medical clinic funding, school refurbishment, adult literacy programs, agricultural livelihood and training programs, and support for small enterprises.

The Company is continuing to advance initiatives under the Infrastructure Tax Credit Scheme (ITCS) of the PNG Government, through which up to two percent of the Company’s assessable income can be allocated by the Company for spending on approved community projects, including local infrastructure, health programs, and educational initiatives, and deducted from future corporate tax payable. This is in addition to the Company’s various community and social programs. The Company continues to work with local stakeholders to advance its first ITCS project, which was approved for implementation by the PNG Department of National Planning in December 2023 for local road upgrades. In May 2024, a contract totaling \$6.1 million was awarded to a local contractor to complete the works and construction of the road. To date, approximately 36% of the road has been surveyed and designed. Consultations with local stakeholders are ongoing to plan for future projects.

The Company continues to implement its Women in Mining program, for which the Company was recognized with the 2023 Outstanding Community Humanitarian Initiative from the PNG Chamber of Resources and Energy. The program focuses on female-targeted community investment programs in local communities, including training initiatives, preventative health programs, support for small enterprises, and scholarship awards. In 2024, 44 women participated in a tailoring program supported by the Company.

The Company continues to implement its Adult Literacy Program in partnership with local communities. The program, which was initiated by the Company in late 2019, offers three levels of English and Tok Pisin, the local language in PNG, for those who cannot read or write. Over 600 participants have graduated from the program since its inception in 2019, 70% of whom are women. The Company's Sustainable Agriculture Livelihoods Program continues to advance, enabling local farmers to scale production and access local and regional vendors. The program continues to scale significantly with the procurement of new equipment throughout 2024.

Education Initiatives

The Company supports education and skills development of the mining industry in PNG through a variety of programs and initiatives. The Company has established the K92 Mining Tertiary Scholarship Program, which includes eight tertiary scholarships for 2024 in the fields of mineral processing, mine engineering, geology, and agriculture. The Company has also partnered with a local company to award two scholarships for Women in Mining to students studying logistics, commercial, or business management. In addition, the Company has signed multiple memoranda of understanding with universities in PNG to support areas of mutual benefit. These partnerships include financial support for the university, work experience for students and undergraduates, technical cooperation, and project generation.

The Company continues to implement a program to assist employees with school enrollment fees. The Company pays 50% of school fees for primary and secondary schools for the children of employees on condition that the employee contributes the remaining 50%.

Local Business Opportunities

The Company has created multiple business opportunities for the local communities in the vicinity of the mine to benefit from its operation. These include four major joint venture contracts between local communities and PNG companies for the provision of services, as well as numerous smaller contracts with local businesses. The major contracts include catering and camp management, security, road transportation, and ancillary mobile services. During the nine months ended September 30, 2024, these contracts generated \$19.9 million in revenue, supporting local communities.

Sustainability

In December 2023, the Company received a revised environmental permit from the PNG Conservation and Environment Protection Authority (CEPA) for the Stage 3 Expansion. The receipt of the permit followed a standard, government-sanctioned environmental impact assessment process. As per environmental regulations, a revised Environmental Management and Monitoring Plan is currently being finalized for submission to CEPA to enable meeting the requirements of the revised permit.

In June 2024, the Company released its 2023 Sustainability Report. The report provides an overview of the Company's environmental, social and governance (ESG) priorities and performance for 2023. The report was prepared in alignment with the Sustainability Accounting Standards Board (SASB) Metals and Mining Standard. Climate-related disclosures were prepared with reference to the Taskforce on Climate-related Financial Disclosures (TCFD) framework. The Company continues to closely monitor developments related to the Canadian Sustainability Disclosures Standards (CSDS), including exposure drafts of these standards released by the Canadian Sustainability Standards Board (CSSB).

In May 2024, the Company released its inaugural annual report related to the Canadian Fighting Against Forced Labour and Child Labour in Supply Chains Act (the Act). The Company is considered an "entity" under the Act and, as such, is required to meet the annual disclosure requirements of the Act. The report is available on the Company's website. Ongoing associated due diligence continues to advance to support annual disclosure requirements.

Results of Operations for the nine months ended September 30, 2024 as compared to September 30, 2023

In YTD Q3, 2024, the Company had net earnings of \$55.7 million (2023 – \$13.2 million) and earnings before taxes of \$85.8 million (2023 - \$22.8 million). Significant items making up the earnings, and changes from the comparative period, are as follows:

Revenue of \$230.3 million (2023 - \$124.9 million) from the sale of gold concentrate and doré. The increase in revenue is mainly driven by higher gold prices and a greater number of gold ounces sold compared to the same period last year.

Cost of sales of \$109.7 million (2023 – 75.4 million) include costs associated with mining, processing, mine technical services, maintenance, finance and administration at site, operational health and safety, share-based payments, depreciation and net smelter royalties. The increase in cost of sales is primarily due to lower capitalized development and higher depreciation and depletion resulting from a higher property, plant, and equipment cost basis as well as higher net smelter royalties due to increased sales when compared to the prior period.

Earnings from mine operations of \$120.7 million (2023 - \$49.5 million), which is calculated by subtracting cost of sales from revenue.

General and administrative of \$8.3 million (2023 – \$5.4 million). The increase is primarily related to an increase in corporate hires and higher management fees and wages.

Exploration and evaluation expenditures of \$12.6 million (2023 – \$15.3 million) related to drilling, assaying, trenching, surveying and other related expenditures. The decrease in exploration costs is primarily due to a reduction in underground activities associated with exploration versus the comparative period.

Share-based payments of \$3.3 million (2023 - \$3.9 million) representing options, RSU and PSU grants to directors, employees and consultants of the Company. The decrease in share-based payments primarily relates to the timing, valuation and the number of RSU and PSU instruments vested during the period.

Interest and finance expenses of \$1.5 million (2023 – \$2.9 million) representing interest and finance expenses recorded on lease agreements and concentrate sales and accretion on the asset retirement obligation. The decrease is primarily due to the capitalization of project related interest and finance expenses as part of the expansion project.

Interest income of \$1.3 million (2023 – \$2.3 million) representing interest income earned on cash and cash equivalent balances. The decrease in interest income is due to lower interest rates on cash and short-term treasuries versus the comparative period.

Loss on derivative instruments of \$8.4 million (2023 – \$0.7 million) relating to realized and unrealized losses on commodity contracts. The loss is primarily driven by the increase in gold prices from \$2,062 per ounce on December 31, 2023, to \$2,630 per ounce on September 30, 2024.

Income tax expense of \$30.1 million (2023 – \$9.6 million) relates to current taxes and the estimated use of carryforward tax attributes in Papua New Guinea.

Summary of Quarterly Results

The following table summarizes the last 8 quarters of the Company.

<i>(in thousands of United States Dollars, except per share amounts)</i>	September 30, 2024 (Unaudited)	June 30, 2024 (Unaudited)	March 31, 2024 (Unaudited)	December 31, 2023 (Audited)
Total assets	\$ 553,539	\$ 469,233	\$ 421,654	\$ 412,832
Working capital	122,828	91,729	89,286	99,623
Shareholders' equity	414,211	365,492	355,649	350,892
Revenue	122,749	47,791	59,798	75,316
Net earnings (loss)	46,496	6,137	3,067	19,980
Net earnings (loss) per share, basic	0.20	0.03	0.01	0.09
Net earnings (loss) per share, diluted	0.19	0.03	0.01	0.08

<i>(in thousands of United States Dollars, except per share amounts)</i>	September 30, 2023 (Unaudited)	June 30, 2023 (Unaudited)	March 31, 2023 (Unaudited)	December 31, 2022 (Audited)
Total assets	\$ 388,271	\$ 388,107	\$ 371,926	\$ 370,715
Working capital	97,335	112,510	117,306	125,171
Shareholders' equity	328,533	327,033	316,340	309,306
Revenue	32,814	51,759	40,366	61,980
Net earnings	(619)	8,793	5,009	13,251
Net earnings per share, basic	(0.00)	0.04	0.02	0.06
Net earnings per share, diluted	(0.00)	0.04	0.02	0.06

Total assets have increased over the past eight quarters, primarily driven by the construction and completion of the Stage 2 Expansion and the ongoing development of the Stage 3 Expansion. Additionally, revenue has also grown during this period due to higher production resulting from the Stage 2 Expansion, as well as increased commodity prices.

Results of Operations for the three months ended September 30, 2024 as compared to September 30, 2023

During the three months ended September 30, 2024, the Company had net earnings of \$46.5 million (2023 – loss of \$0.6 million) and earnings before taxes of \$69.3 million (2023 - \$0.7 million). Significant items making up the earnings, and changes from the comparative period, are as follows:

Revenue of \$122.7 million (2023 - \$32.8 million) from the sale of gold concentrate and doré. The increase in revenue is mainly driven by higher gold prices and a greater number of gold ounces sold compared to the same period last year.

Cost of sales of \$41.0 million (2023 - \$22.5 million) include costs associated with mining, processing, mine technical services, maintenance, finance and administration at site, operational health and safety, share-based payments, depreciation and net smelter royalties. The increase in cost of sales is primarily due to lower capitalized development and higher depreciation and depletion resulting from a higher property, plant, and equipment cost basis as well as higher net smelter royalties due to increased sales when compared to the prior period.

Earnings from mine operations of \$81.7 million (2023 - \$10.3 million), which is calculated by subtracting cost of sales from revenue.

General and administrative of \$2.4 million (2023 – \$1.3 million). The increase is primarily related to an increase in corporate hires and higher management fees and wages.

Exploration and evaluation expenditures of \$3.9 million (2023 – \$5.2 million) related to drilling, assaying, trenching, surveying and other related expenditures. The decrease in exploration costs is primarily due to a reduction in underground activities associated with exploration versus the comparative period.

Share-based payments of \$1.3 million (2023 - \$1.4 million) representing options, RSU and PSU grants to directors, employees and consultants of the Company. The decrease in share-based payments primarily relates to the timing, valuation and the number of RSU and PSU instruments vested during the period.

Interest and finance expenses of \$0.2 million (2023 – \$0.9 million) representing interest and finance expenses recorded on lease agreements. The decrease is primarily due to the capitalization of project related interest and finance expenses as part of the expansion project.

Interest income of \$0.4 million (2023 – \$0.8 million) representing interest income earned on cash and cash equivalent balances. The decrease in interest income is due to lower interest rates on cash and short-term treasuries versus the comparative period.

Loss on derivative instruments of \$4.9 million (2023 – gain of \$0.2 million) relating to realized and unrealized losses on commodity contracts. The loss is primarily driven by the increase in gold prices from \$2,331 per ounce on June 30, 2024, to \$2,630 per ounce on September 30, 2024.

Income tax expense of \$22.8 million (2023 – \$1.3 million) relates to current taxes and the estimated use of carryforward tax attributes in Papua New Guinea.

Non-IFRS Performance Measures

This document includes certain non-IFRS performance measures that do not have a standardized meaning prescribed by IFRS. These measures may differ from those used by other issuers and may not be comparable to such measures as reported by other issuers. The Company believes that these measures are commonly used by certain investors, in conjunction with conventional IFRS measures, to enhance their understanding of the Company's performance. These measures have been derived from the Company's financial statements and applied on a consistent basis. The following tables below provide a reconciliation of these non-IFRS measures to the most directly comparable IFRS measure.

Cash Costs per Ounce

Cash costs of sales include all costs absorbed into concentrate inventory, treatment and refining costs, less non-cash items such as depreciation, and by-product credits. Total cash cost per ounce sold is calculated by dividing the aggregate of the applicable costs by gold ounces sold.

All-in Sustaining Cost per Ounce

All-in sustaining costs of sales include all cash costs above plus accretion of environmental provisions, corporate costs and sustaining capital expenditures. Total all-in sustaining cost per ounce sold is calculated by dividing the aggregate of the applicable costs by gold ounces sold.

<i>(In thousands of United States Dollars, except as noted)</i>	Three months ended September 30, 2024	Three months ended September 30, 2023	Nine months ended September 30, 2024	Nine months ended September 30, 2023
Cost of Sales	\$ 41,024	\$ 22,513	\$ 109,655	\$ 75,449
Add: treatment and refining costs	2,324	1,466	5,433	4,964
Less: non-cash costs included into cost of sales	(367)	(574)	(1,204)	(1,153)
Less: depreciation and depletion	(9,778)	(6,176)	(27,105)	(19,972)
Less: by-product credits	(6,799)	(4,680)	(16,709)	(16,601)
Cash cost of sales	26,404	12,549	70,070	42,687
Add: accretion	146	148	447	449
Add: general and administrative costs	2,438	1,254	8,284	5,436
Add: sustaining capital expenditures ⁷	13,772	9,934	31,456	29,445
Less: business development and non-sustaining costs	(200)	(38)	(685)	(203)
All-in sustaining costs	42,560	23,847	109,572	77,814
Gold ounces, sold	45,248	18,339	92,308	64,082
Cash cost per gold ounce, sold	\$ 584	\$ 684	\$ 759	\$ 666
All-in sustaining cost per gold ounce, sold	\$ 941	\$ 1,300	\$ 1,187	\$ 1,214

EBITDA (Earnings before Interest, Taxes, Depreciation and Amortization)

EBITDA is profit attributable to shareholders before net finance expense, provision for income taxes, and depreciation and amortization. EBITDA is used as a supplemental financial measure by management and by external users of our MD&A, such as investors, industry analysts, lenders and ratings agencies, to assess the Company's operating performance as compared with the operating performance of other companies in our industry, without regard to financing methods, historical cost basis or capital structure. The IFRS measure most directly comparable to EBITDA is Net Income. EBITDA should not be considered an alternative to net income or loss, or any other measure of financial performance or liquidity presented in accordance with IFRS.

<i>(In thousands of United States Dollars)</i>	Three months ended September 30, 2024	Three months ended September 30, 2023	Nine months ended September 30, 2024	Nine months ended September 30, 2023
Income for the period	\$ 46,496	\$ (619)	\$ 55,700	\$ 13,183
Add: Income taxes	22,839	1,334	30,126	9,635
Add: Depreciation and depletion	9,778	6,176	27,105	19,972
Add: Interest and finance expense	186	925	1,492	2,909
Less: Interest income	(413)	(800)	(1,325)	(2,291)
EBITDA	\$ 78,886	\$ 7,016	\$ 113,098	\$ 43,408

Liquidity

As at September 30, 2024, the Company had a cash and cash equivalents and short-term treasuries of \$120.3 million (December 31, 2023 - \$79.1 million) and working capital of \$122.8 million (December 31, 2023 - \$99.6 million)⁸, which consisted of current assets of \$190.0 million (December 31, 2023 - \$147.5 million) less current liabilities of \$67.2 million (December 31, 2023 - \$47.9 million).

⁷ Sustaining capital expenditures for the three months ended September 30, 2024 is the purchase of property, plant and equipment ("PPE") from the statement of cash flows of \$105.5 million (2023 - \$63.0 million), plus other sustaining expenditures of \$3.5 million (2023 - \$3.1), less net PPE amounts included in accounts payable related to expansion costs of \$4.7 million (2023 - plus \$0.6 million), plus net deposits for equipment \$2.7 million (2023 - \$4.5 million), less expansion costs of \$75.5 million (2023 - \$41.8 million).

⁸ Non-IFRS performance measure. Working capital is calculated as current assets less current liabilities.

Operating Activities: In YTD Q3 2024, the Company generated \$111.1 million from operating activities (2023 - \$42.9 million).

Investing Activities: In YTD Q3 2024, the Company paid \$105.5 million (2023 - \$63.0 million) for property, plant, and equipment, \$1.6 million for deposits on equipment (2023 – \$6.4 million), \$20.0 million for restricted cash (2023 – Nil) and received \$6.6 million on the redemption of short-term treasuries (2023 – Nil).

Financing Activities: In YTD Q3 2024, the Company received \$3.3 million (2023 - \$0.9 million) from the exercise of stock options and \$60.0 million in proceeds from the Loan (2023 – Nil). The Company paid \$4.0 million (2023 - \$3.9 million) in lease principal payments and \$1.1 million in loan transaction costs (2023 – Nil).

The Company's financial position at September 30, 2024, and the operating cash flows that are expected over the next twelve months, are expected to be sufficient to fund operational costs, capital requirements, debt repayments and other commitments.

Capital Resources

The Company manages its capital structure and makes adjustments to it in response to changes in economic conditions and the risk characteristics of the Company's assets and business opportunities. The Company does not presently utilize any quantitative measures to monitor its capital and is not subject to externally imposed capital requirements.

Related Party Transactions

Key management consists of the Chief Executive Officer, Chief Financial Officer, President and Chief Operating Officer, and the Board of Directors. During the below period, compensation paid or accrued to key management or companies they controlled is presented in the table below:

<i>(In thousands of United States Dollars)</i>	Nine months ended	September 30, 2024	September 30, 2023
Share-based compensation		\$ 3,770	\$ 3,811
Management, consulting and wages		2,764	3,195
Professional fees		173	92

Included in accounts payable and accrued liabilities is \$1.1 million (December 31, 2023 - \$0.9 million) due to key management of the Company, of which \$0.5 million (December 31, 2023 - \$0.3 million) is due to Mining, Processing and Project Consulting Pty Ltd. which is owned by the CEO and Director for management services and \$0.2 million (December 31, 2023 - \$0.2 million) is due to the law firm Gowling WLG (Canada) LLP, where one director of the Company is a partner, for professional fees in the normal course of business, non-interest bearing and due on demand.

Outstanding Share Data

As at the date of this report the Company had 237,907,313 common shares issued and outstanding.

The following incentive stock options were outstanding at the date of this report:

Range of exercise prices (in \$CAD)	Number of outstanding options	Number of options exercisable	Weighted-average exercise price (in \$CAD)	Weighted-average years to expiry
3.00 – 3.99	759,000	759,000	3.84	0.24
4.00 – 4.99	-	-	-	-
5.00 – 9.99	<u>3,563,500</u>	<u>3,563,500</u>	7.25	1.08
	4,322,500	4,322,500	6.65	0.93

Subsequent Events

Subsequent to September 30, 2024, the Company:

- Made a \$17.9 million income tax installment to the Papua New Guinea government.
- Purchased 112,500 gold put option contracts providing the Company with the option to financially settle 12,500 ounces of gold per month over a nine-month period, beginning October, 2024, at a strike price of \$2,400 per ounce. The settlement value will be based on the average gold price each month. The Company paid \$2.2 million for the put options or \$19.75 per ounce.

Off-Balance Sheet Arrangements

At September 30, 2024, the Company had no material off-balance sheet arrangements such as guarantee contracts, contingent interest in assets transferred to an entity, derivative instruments obligations or any obligations that trigger financing, liquidity, market or credit risk to the Company.

Proposed Transactions

Except as elsewhere disclosed in this document, there are no other proposed transactions under consideration.

Material Accounting Judgements, Estimates and Assumptions

The preparation of consolidated financial statements requires management to make estimates about, and apply assumptions or judgment to, future events and other matters that affect the reported amounts of the Company's assets, liabilities, revenues, expenses and related disclosures. Assumptions, estimates and judgments are based on historical experience, expectations, current trends and other factors that management believes to be relevant at the time at which the Company's consolidated financial statements are prepared.

The Company's material accounting judgements, estimates and assumptions are disclosed in Note 2 of the audited Consolidated Financial Statements for the year ended December 31, 2023.

Material Accounting Policies

The Company's material accounting policies are presented in Note 3 of the audited Consolidated Financial Statements for the year ended December 31, 2023 and have been consistently applied in the preparation of the interim consolidated financial statements.

Financial Instruments and Risk Management

Financial assets and liabilities are classified in the fair value hierarchy according to the lowest level of input that is significant to the fair value measurement. Assessment of the significance of a particular input to the fair value measurement requires judgment and may affect placement within the fair value hierarchy levels. The hierarchy is as follows:

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

The levels in the fair value hierarchy into which the Company's financial assets and liabilities that are measured and recognized at fair value were categorized as follows:

As at	September 30, 2024		December 31, 2023	
	Level 1	Level 2	Level 1	Level 2
Trade receivables	\$ -	\$ 25,658	\$ -	\$ 15,030
Derivative liabilities	-	(4,887)	-	(1,206)
	\$ -	\$ 20,771	\$ -	\$ 13,824

The fair value of the Company's trade receivables and derivative liabilities were determined using observable market prices and market-derived inputs. There were no transfers between Level 1 and Level 2 during the period ended September 30, 2024.

As at September 30, 2024 and December 31, 2023, the carrying amounts of cash and cash equivalents, restricted cash, short-term treasuries, other receivables, and accounts payable and accrued liabilities approximate their fair values due to the short-term nature of these instruments.

Fair value estimates of financial instruments are made at a specific point in time, based on relevant information about financial markets and specific financial instruments. As these estimates are subjective in nature, involving uncertainties and matters of significant judgment, they cannot be determined with precision. Changes in assumptions can significantly affect estimated fair values.

Concentration of credit risk

The Company's cash and cash equivalents are held with financial institutions in Canada, Papua New Guinea, and Australia. As of September 30, 2024, a single Canadian chartered bank holds approximately 51% of the total cash and cash equivalents. Substantially all of the Company's cash and cash equivalents exceed government-insured limits. The Company continually assesses and manages its exposure to the credit risk of financial institutions.

Internal Control Over Financial Reporting and Disclosure Controls and Procedures

Disclosure Controls and Procedures

The Company's disclosure controls and procedures are designed to provide reasonable assurance that all relevant information is gathered and reported on a timely basis to senior management, including the Chief Executive Officer ("CEO") and the Chief Financial Officer ("CFO"), to enable this information to be reviewed and discussed so that appropriate decisions can be made regarding the timely public disclosure of the information.

There were no changes to the Company's disclosure controls and procedures during the nine months ended September 30, 2024, that have materially affected, or are likely to materially affect, the Company's disclosure

controls and procedures and therefore these controls and procedures remain effective.

Internal Controls over Financial Reporting

The Company's management, including the CFO and CEO, are responsible for establishing adequate internal controls over financial reporting. The Company's internal controls over financial reporting are designed to provide reasonable assurance regarding the reliability of the Company's financial reporting for external purposes in accordance with IFRS as issued by the IASB.

There were no changes to the Company's internal controls over financial reporting during the nine months ended September 30, 2024, that have materially affected, or are likely to materially affect, the Company's internal controls over financial reporting and therefore these controls remain effective.

The Company's internal control over financial reporting may not prevent or detect all misstatements because of inherent limitations. Additionally, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions or deterioration in the degree of compliance with the Company's policies and procedures.

Technical Report

The Integrated Development Plan, including the Definitive Feasibility Study and Preliminary Economic Assessment for the Kainantu Gold Mine Project in Papua New Guinea is included in the Technical Report titled, "Independent Technical Report, Kainantu Gold Mine Integrated Development Plan, Kainantu Project, Papua New Guinea" dated October 26, 2022, with an effective date of January 1, 2022.

Cautionary Statement Regarding Certain Measures of Performance

This MD&A presents certain measures, including "cash costs", "all-in-sustaining costs" "gold equivalent" and "EBITDA" that are not recognized measures under IFRS. This data may not be comparable to data presented by other gold producers. For a reconciliation of these measures to the most directly comparable financial information presented in the consolidated financial statements prepared in accordance with IFRS, see Non-IFRS Financial Performance Measures in this MD&A. The Company believes that these generally accepted industry measures are realistic indicators of operating performance and are useful in performing year-over-year comparisons. However, these non-IFRS measures should be considered together with other data prepared in accordance with IFRS, and these measures taken by themselves, are not necessarily indicative of operating costs or cash flow measures prepared in accordance with IFRS.

Note Regarding Forward-Looking Statements

Except for historical information, this MD&A may contain forward-looking statements within the meaning of applicable Canadian securities legislation. These statements involve known and unknown risks, uncertainties, and other factors that may cause the Company's actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activity, performance or achievement expressed or implied by these forward-looking statements.

The factors that could cause actual results to differ materially include, but are not limited to, the following:

General economic conditions; changes in financial markets; the impact of exchange rates; political conditions and developments in countries in which the Company operates; changes in the supply, demand and pricing of the metal commodities which the Company hopes to find and successfully mine; changes in regulatory requirements impacting the Company's operations; the sufficiency of current working capital and the estimated cost and availability of funding for the continued production, exploration and development of the Company's properties.

This MD&A contains certain forward-looking statements inclusive of, but not limited to, timing of the mine development, twin incline construction, metals production, cash costs, all-in sustaining costs, exploration costs and growth capital costs. Although forward-looking statements and information contained in this MD&A are based on the beliefs of K92 management, which we consider to be reasonable, as well as assumptions made by and information currently available to K92 management, there is no assurance that the

forward-looking statement or information will prove to be accurate. The assumptions made include assumptions about K92's ability to move forward with the development and mine expansion arrangements. The forward-looking statements and information contained in this MD&A are subject to current risks, uncertainties and assumptions related to certain factors including, without limitations, obtaining all necessary approvals, feasibility of the Company's mine and plant development in PNG, the accuracy of mineral reserve and mineral resources estimates, exploration and development risks, expenditure and financing requirements, title matters, the Company's dependency on the Kainantu Gold Mine for operating revenue and cash flows in the near term, operating hazards, metal prices, political and economic factors, competitive factors, general economic conditions, relationships with vendors and strategic partners, governmental regulation and supervision, the Company's ability to adequately account for potential mine closure and remediation costs, seasonality, technological change, industry practices, and one-time events as well as risks, uncertainties and other factors identified and described in more detail under the heading "Risk Factors" in the Company's most recent Annual Information Form, which may be viewed at www.sedar.com. Should any one or more of these risks or uncertainties materialize or change, or should any underlying assumptions prove incorrect, actual results and forward-looking statements and information may vary materially from those described herein.

The list is not exhaustive and although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended that should be considered carefully, and reasons should not place undue reliance on the Company's forward-looking statements. As a result of the foregoing and other factors, no assurance can be given as to any such future results, levels of activity or achievements and neither the Company nor any person assumes responsibility for the accuracy and completeness of these forward-looking statements. We undertake no obligation to update forward-looking statements or information except as required by law.

Cautionary Note to Investors Concerning Estimates of Measured and Indicated Resources.

This discussion uses the terms "measured resources" and "indicated resources". The Company advises investors that while those terms are recognized and required by Canadian regulations, the U.S. Securities and Exchange Commission does not recognize them. Investors are cautioned not to assume that any part or all of mineral deposits in these categories will ever be converted into reserves.