

Form 62-103F1

Required Disclosure under the Early Warning Requirements

State if this report is filed to amend information disclosed in an earlier report. Indicate the date of the report that is being amended.

Not Applicable.

Item 1 – Security and Reporting Issuer

1.1 State the designation of securities to which this report relates and the name and address of the head office of the issuer of the securities.

This report relates to common share purchase warrants (“**Warrants**”) and common shares (“**Common Shares**”) of Foran Mining Corporation (the “**Company**”).

1.2 State the name of the market in which the transaction or other occurrence that triggered the requirement to file this report took place.

On October 21, 2022, Fairfax Financial Holdings Limited, through its insurance subsidiaries (the “**Acquiror**”), exercised its Warrants. Each Warrant entitled the Acquiror to purchase one Common Share at an exercise price of \$2.09 for a period of five years from the date of issuance. The Acquiror exercised all 16,000,000 Warrants it held for 16,000,000 Common Shares. The Common Shares trade on the facilities of the TSX Venture Exchange under the trading symbol “FOM”.

Item 2 – Identity of the Acquiror

2.1 State the name and address of the acquiror.

Fairfax Financial Holdings Limited
95 Wellington Street West Suite 800
Toronto, Ontario, Canada M5J 2N7

2.2 State the date of the transaction or other occurrence that triggered the requirement to file this report and briefly describe the transaction or other occurrence.

On August 6, 2021, the Acquiror, entered into subscription agreements with the Company (the “**Subscription Agreements**”).

Pursuant to the Subscription Agreements, the Acquiror subscribed for: (i) 27,777,778 units (“**Common Share Units**”) at a price of \$1.80 per Common Share Unit, each Common Share Unit consisting of one Common Share and 0.288 of a Warrant; and (ii) 27,777,778 units (“**Non-Voting Share Units**”) at a price of \$1.80 per Non-Voting Share Unit, each Non-Voting Share Unit consisting of one non-voting share in the capital of the Company (“**Non-Voting Shares**” and together with the Common Shares, the “**Shares**”).

and 0.288 of a Warrant. Pursuant to the Subscription Agreements, the Acquiror collectively subscribed for 27,777,778 Common Shares, 27,777,778 Non-Voting Shares and 16,000,000 Warrants.

On October 21, 2022, the Acquiror exercised all 16,000,000 Warrants acquired pursuant to the Subscription Agreements for 16,000,000 Common Shares, resulting in gross proceeds to the Company of \$33,440,000.

2.3 State the names of any joint actors.

Not applicable.

Item 3 – Interest in Securities of the Reporting Issuer

3.1 State the designation and number or principal amount of securities acquired or disposed of that triggered the requirement to file this report and the change in the acquiror’s securityholding percentage in the class of securities.

Immediately prior to the exercise of the Warrants, the Acquiror beneficially owned 27,777,778 Common Shares, representing 13.1% of the Common Shares, and 27,777,778 Non-Voting Shares, representing 100% of the Non-Voting Shares and, together with the Common Shares owned by the Acquiror, 23.1% of the issued and outstanding Shares. As a result of the exercise of the Warrants, the Acquiror beneficially owns 43,777,778 Common Shares, representing 19.2% of the Common Shares, and 27,777,778 Non-Voting Shares, representing 100% of the Non-Voting Shares and, together with the Common Shares owned by the Acquiror, 27.9% of the issued and outstanding Shares.

3.2 State whether the acquiror acquired or disposed ownership of, or acquired or ceased to have control over, the securities that triggered the requirement to file this report.

The Acquiror exercised 16,000,000 Warrants and acquired control of 16,000,000 Common Shares.

3.3 If the transaction involved a securities lending arrangement, state that fact.

Not Applicable.

3.4 State the designation and number or principal amount of securities and the acquiror’s securityholding percentage in the class of securities, immediately before and after the transaction or other occurrence that triggered the requirement to file this report.

See the answer to item 3.1.

3.5 State the designation and number or principal amount of securities and the acquiror’s securityholding percentage in the class of securities referred to in Item 3.4 over which

- (a) the acquiror, either alone or together with any joint actors, has ownership and control,

See the answer to item 3.1.

- (b) the acquiror, either alone or together with any joint actors, has ownership but control is held by persons or companies other than the acquiror or any joint actor, and

Not applicable.

- (c) the acquiror, either alone or together with any joint actors, has exclusive or shared control but does not have ownership.

Not applicable.

3.6 If the acquiror or any of its joint actors has an interest in, or right or obligation associated with, a related financial instrument involving a security of the class of securities in respect of which disclosure is required under this item, describe the material terms of the related financial instrument and its impact on the acquiror's securityholdings.

Not applicable.

3.7 If the acquiror or any of its joint actors is a party to a securities lending arrangement involving a security of the class of securities in respect of which disclosure is required under this item, describe the material terms of the arrangement including the duration of the arrangement, the number or principal amount of securities involved and any right to recall the securities or identical securities that have been transferred or lent under the arrangement.

State if the securities lending arrangement is subject to the exception provided in section 5.7 of NI 62-104.

Not applicable.

3.8 If the acquiror or any of its joint actors is a party to an agreement, arrangement or understanding that has the effect of altering, directly or indirectly, the acquiror's economic exposure to the security of the class of securities to which this report relates, describe the material terms of the agreement, arrangement or understanding.

Not applicable.

Item 4 – Consideration Paid

4.1 State the value, in Canadian dollars, of any consideration paid or received per security and in total.

The exercise price was \$2.09 per Warrant, for a total aggregate consideration of \$33,440,000 paid to the Company.

4.2 In the case of a transaction or other occurrence that did not take place on a stock exchange or other market that represents a published market for the securities, including an issuance from treasury, disclose the nature and value, in Canadian dollars, of the consideration paid or received by the acquiror.

See the answer to item 4.1.

4.3 If the securities were acquired or disposed of other than by purchase or sale, describe the method of acquisition or disposition.

Not applicable.

Item 5 – Purpose of the Transaction

State the purpose or purposes of the acquiror and any joint actors for the acquisition or disposition of securities of the reporting issuer. Describe any plans or future intentions which the acquiror and any joint actors may have which relate to or would result in any of the following:

- (a) the acquisition of additional securities of the reporting issuer, or the disposition of securities of the reporting issuer;
- (b) a corporate transaction, such as a merger, reorganization or liquidation, involving the reporting issuer or any of its subsidiaries;
- (c) a sale or transfer of a material amount of the assets of the reporting issuer or any of its subsidiaries;
- (d) a change in the board of directors or management of the reporting issuer, including any plans or intentions to change the number or term of directors or to fill any existing vacancy on the board;
- (e) a material change in the present capitalization or dividend policy of the reporting issuer;
- (f) a material change in the reporting issuer's business or corporate structure;
- (g) a change in the reporting issuer's charter, bylaws or similar instruments or another action which might impede the acquisition of control of the reporting issuer by any person or company;
- (h) a class of securities of the reporting issuer being delisted from, or ceasing to be authorized to be quoted on, a marketplace;
- (i) the issuer ceasing to be a reporting issuer in any jurisdiction of Canada;

- (j) a solicitation of proxies from securityholders;
- (k) an action similar to any of those enumerated above.

The Common Shares referred to herein were acquired by the Acquiror for investment purposes. The Acquiror may further purchase, hold, vote, trade, dispose or otherwise deal in the securities of the Company, in such manner as it deems advisable to benefit from changes in market prices of the Company's securities, publicly disclosed changes in the operations of the Company, its business strategy or prospects or from a material transaction of the Company. In the future, the Acquiror may discuss with management and/or the board of directors of the Company any of the transactions listed in clauses (a) to (k) above. However, the Acquiror has no present intention to effect any such transactions.

Item 6 – Agreements, Arrangements, Commitments or Understandings With Respect to Securities of the Reporting Issuer

Describe the material terms of any agreements, arrangements, commitments or understandings between the acquiror and a joint actor and among those persons and any person with respect to securities of the class of securities to which this report relates, including but not limited to the transfer or the voting of any of the securities, finder's fees, joint ventures, loan or option arrangements, guarantees of profits, division of profits or loss, or the giving or withholding of proxies. Include such information for any of the securities that are pledged or otherwise subject to a contingency, the occurrence of which would give another person voting power or investment power over such securities, except that disclosure of standard default and similar provisions contained in loan agreements need not be included.

Not applicable.

Item 7 – Change in Material Fact

If applicable, describe any change in a material fact set out in a previous report filed by the acquiror under the early warning requirements or Part 4 in respect of the reporting issuer's securities.

Not applicable.

Item 8 – Exemption

If the acquiror relies on an exemption from requirements in securities legislation applicable to formal bids for the transaction, state the exemption being relied on and describe the facts supporting that reliance.

Not applicable.

Item 9 – Certification

The acquiror must certify that the information in this report is true and complete in every respect. In the case of an agent, the certification is based on the agent's best knowledge, information and belief but the acquiror is still responsible for ensuring that the information filed by the agent is true and complete.

This report must be signed by each person on whose behalf the report is filed or his or her authorized representative.

It is an offence to submit information that, in a material respect and at the time and in the light of the circumstances in which it is submitted, is misleading or untrue.

Certificate

The certificate must state the following:

I, as the acquiror, certify, or I, as the agent filing this report on behalf of an acquiror, certify to the best of my knowledge, information and belief, that the statements made in this report are true and complete in every respect.

FAIRFAX FINANCIAL HOLDINGS LIMITED

October 25, 2022

Date

(signed) "Peter Clarke"

Signature

Peter Clarke, Chief Operating Officer

Name/Title