

HEMLO MINING CORP.
FORM 51-102F4
BUSINESS ACQUISITION REPORT

ITEM 1 IDENTITY OF COMPANY

1.1 Name and Address of Company

Hemlo Mining Corp. (formerly Carcetti Capital Corp.) (the “**Company**”)
390 Bay Street, Suite 1720
Toronto, Ontario M5H 2Y2

1.2 Executive Officer

For further information, please contact:

Contact: Jason Kosec, President, Chief Executive Officer & Director
Email: info@hemlomining.com
Telephone: 250-552-7424

ITEM 2 DETAILS OF ACQUISITION

2.1 Nature of Business Acquired

On November 26, 2025, the Company completed the acquisition (the “**Transaction**”), through its wholly-owned subsidiary, 1554943 B.C. Ltd. (“**155 BC Ltd.**”), of the Hemlo Gold Mine (“**Hemlo**”) in Ontario, Canada from certain wholly-owned subsidiaries of Barrick Mining Corporation (“**Barrick**”) pursuant to a definitive agreement dated September 10, 2025, among the Carcetti Capital Corp., 155 BC Ltd., Barrick Gold Inc., Pioneer Metals ULC and Barrick. On November 27, 2025, Carcetti Capital Corp. amalgamated with a wholly-owned subsidiary, 17276583 Canada Ltd., and continued as one corporation under the name “Hemlo Mining Corp.” (the “**Amalgamation**”).

Hemlo is located 35 kilometers east of the town of Marathon, Ontario and has produced approximately 25 million ounces of gold from both underground and open pit operations since production began in 1985.

2.2 Date of Acquisition

November 26, 2025.

2.3 Consideration

The Company acquired Hemlo for total consideration to Barrick consisting of: a cash payment of US\$875,000,000; the issuance of 34,582,500 Carcetti Capital Corp. common shares (being 23,055,000 Barrick Consideration Shares, as defined below, on a post-Consolidation, as defined herein, basis); and up to US\$165,000,000 of additional gold price linked contingent cash payments during a five-year term commencing January 1, 2027 and ending December 31, 2031.

To fund the US\$875 million in upfront cash consideration as well as working capital requirements following the closing of the Transaction, the Company entered into agreements for an acquisition financing package of approximately US\$1.1 billion, including:

- US\$300 million through a precious metals purchase agreement (the “**PMPA**”) with Wheaton Precious Metals Corp. (“**Wheaton**”);
- US\$250 million senior secured credit facilities (the “**Credit Facilities**”) solely underwritten by the Bank of Nova Scotia (now syndicated to additional lenders including Bank of Montreal, National Bank Financial Inc., ING Capital LLC, Macquarie Bank Limited, and Canadian Imperial Bank of Commerce, as lenders), and consisting of an acquisition term loan of US\$150 million and a US\$100 million revolving credit facility (including a US\$25 million accordion exercised on the closing date), of which US\$200 million in aggregate was used to fund the acquisition; and
- US\$542 million from the Company’s private placement of subscription receipts (“**Subscription Receipts**”) comprised of US\$486 million from the Company’s bought deal private placement of Subscription Receipts (with Scotiabank as sole bookrunner on behalf of a syndicate of underwriters) and US\$56 million from the Company’s non-brokered private placement of Subscription Receipts.

Pursuant to the PMPA, Wheaton paid a cash deposit of US\$300 million to 155 BC Ltd. at closing of the Transaction. The PMPA is expected to initially represent 10.125% of the payable gold produced from Hemlo until the First Dropdown Time (as defined in the PMPA), thereafter representing 6.75% of the payable gold until the Second Dropdown Time (as defined in the PMPA) and 4.5% of the payable gold thereafter.

The Credit Facilities have a three-year term. The Credit Facilities will be available by way of advances bearing interest at either (i) the term Secured Overnight Financing Rate (SOFR), plus an adjustment ranging from 0.10% to 0.25% depending on the tenor and an applicable margin ranging from 2.75% to 3.75%, (ii) the base rate plus an applicable margin ranging from 1.75% to 2.75%, or (iii) for the revolving credit facility only, by way of letters of credit with fees ranging from 1.833% to 2.5% per annum for non- financial letters and 2.75% to 3.75% per annum for financial letters. The range for such letter of credit fees and applicable margin is based on the Company’s leverage ratio at the end of each fiscal quarter (provided that for the first two quarters there will be a minimum margin of 3.25%).

In connection with closing of the Transaction, the 377,993,830 Subscription Receipts were, in accordance with their terms, automatically settled on a one-for-one basis for 377,993,830 Carcetti Capital Corp. common shares (being 251,995,887 Shares on a post-Consolidation basis).

In connection with the Transaction, the Company issued 34,582,500 Carcetti Capital Corp. common shares (being 23,055,000 Shares on a post-Consolidation basis, the “**Barrick Consideration Shares**”) to Barrick Gold Inc. as part of the total consideration to Barrick.

Concurrent with closing of the Transaction, the Company issued 5,000,000 Carcetti Capital Corp. common shares (being 3,333,333 Shares on a post-Consolidation basis) (the “**Advisor Shares**”) at a price of C\$2.00 per Carcetti Capital Corp. common share (being C\$3.00 per Share on a post-Consolidation basis) in connection with those aspects of the Transaction related to reclamation and closure obligations. The Advisor Shares are subject to a share acquisition agreement which restricts the transfer or disposition of the Advisor Shares for a period of one year from the date of issuance and provides the Company with a right of first refusal over any future sale or transfer of the Advisor Shares.

2.4 Effect on Financial Position

On November 27, 2025, the Company completed the Amalgamation. The Company also consolidated its shares (the “**Consolidation**”) on the basis of two-thirds (2/3) of a new common share for every one pre-Consolidation share, in connection with the Amalgamation.

2.5 Prior Valuations

Not applicable.

2.6 Parties to Transaction

The parties to the Transaction were the Company, 155 BC Ltd., Barrick Gold Inc., Pioneer Metals ULC and Barrick. The Transaction was not with an informed person, associate or affiliate of the Carcetti Capital Corp.

2.7 Date of Report

This business acquisition report is dated February 5, 2026.

ITEM 3 FINANCIAL STATEMENTS

The following financial statements are attached as schedules hereto:

Schedule A: Audited annual financial statements for the operations of the Hemlo Mine, prepared on a combined carve-out basis, for the years ended December 31, 2024 and 2023, together with the notes thereto. PricewaterhouseCoopers LLP has given their consent to the inclusion of their audit report in this business acquisition report.

Schedule B: Unaudited interim financial statements for the operations of the Hemlo Mine, prepared on a combined carve-out basis, for the three and nine month periods ended September 30, 2025 and 2024, together with the notes thereto.

Schedule A
**Audited annual financial statements for the operations of the Hemlo Mine, prepared on a combined
carve-out basis, for the years ended December 31, 2024 and 2023**

(See attached)

THE HEMLO MINE

**Combined Carve-Out Financial Statements
As at and for the years ended December 31, 2024 and 2023**



THE HEMLO MINE
December 31, 2024
Table of Contents

	Page
Independent Auditor's Report	3
Combined Carve-Out Financial Statements	
Combined Carve-Out Statements of Income and Comprehensive Income	6
Combined Carve-Out Statements of Cash Flows	7
Combined Carve-Out Statements of Financial Position	8
Combined Carve-Out Statements of Changes in Parent Investment	9
Notes to the Combined Carve-Out Financial Statements	10
1. General information	10
2. Material accounting policy information	20
3. Significant judgments and estimates	20
4. Revenue	22
5. Cost of sales	22
6. Finance costs	23
7. Income taxes	23
8. Cash flow other items	24
9. Inventories	25
10. Other current assets	25
11. Property, plant and equipment	26
12. Accounts payable	28
13. Lease liabilities	28
14. Related party transactions	29
15. Environmental rehabilitation provision	30
16. Other non-current liabilities	31
17. Financial risk management	33
18. Fair value accounting	35
19. Commitments and contingencies	36
20. Events occurring after the reporting period	37



Independent auditor's report

To the Board of Directors of Barrick Gold Inc.

Our opinion

In our opinion, the accompanying combined carve-out financial statements present fairly, in all material respects, the financial position of the Hemlo Mine (the Mine) as at December 31, 2024 and 2023 and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS).

What we have audited

The Mine's combined carve-out financial statements comprise:

- the combined carve-out statements of financial position as at December 31, 2024 and December 31, 2023;
- the combined carve-out statements of income and comprehensive income for the years then ended ;
- the combined carve-out statements of cash flows for the years then ended;
- the combined carve-out statements of changes in parent investment for the years then ended; and
- the notes to the combined carve-out financial statements, comprising material accounting policy information and other explanatory information.

Basis for opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the combined carve-out financial statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Mine in accordance with the ethical requirements that are relevant to our audit of the combined carve-out financial statements in Canada. We have fulfilled our other ethical responsibilities in accordance with these requirements.

Emphasis of matter – combined carve-out financial statements

We draw attention to the fact that, as described in note 2 to the combined carve-out financial statements, the Mine has not operated as a separate entity. These combined carve-out financial statements are, therefore, not necessarily indicative of results that would have occurred if the Mine had been a separate stand-alone entity during the years presented or of future results of the Mine.

PricewaterhouseCoopers LLP
PwC Tower, 18 York Street, Suite 2500, Toronto, Ontario, Canada M5J 0B2
T.: +1 416 863 1133, F.: +1 416 365 8215, Fax to mail: ca_toronto_18_york_fax@pwc.com

"PwC" refers to PricewaterhouseCoopers LLP, an Ontario limited liability partnership.



Our opinion is not modified in respect of this matter.

Responsibilities of management and those charged with governance for the carve-out financial statements

Management is responsible for the preparation and fair presentation of the combined carve-out financial statements in accordance with IFRS , and for such internal control as management determines is necessary to enable the preparation of carve-out financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the combined carve-out financial statements, management is responsible for assessing the Mine's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Mine or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Mine's financial reporting process.

Auditor's responsibilities for the audit of the carve-out financial statements

Our objectives are to obtain reasonable assurance about whether the combined carve-out financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these combined carve-out financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the combined carve-out financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Mine's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Mines's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the combined carve-out financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Mine to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the combined carve-out financial statements, including the disclosures, and whether the combined carve-out financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Mine to express an opinion on the combined carve-out financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/PricewaterhouseCoopers LLP

Chartered Professional Accountants, Licensed Public Accountants

Toronto, Ontario
November 21, 2025

THE HEMLO MINE
Combined Carve-Out Statements of Income and Comprehensive Income
For the years ended December 31, 2024 and 2023
(Expressed in thousands of United States Dollars unless otherwise stated)

	Note	Year Ended December 31,	
		2024	2023
Revenue	4	\$ 345,141	\$ 272,876
Costs and expenses (income)			
Cost of sales	5	250,791	221,675
Exploration, evaluation and project expenses		159	295
Closed mine rehabilitation costs	15	—	(82)
Loss on currency translation		1,463	2,036
Other (income) expense		1,939	967
		<u>254,352</u>	<u>224,891</u>
Income before finance items and income taxes		90,789	47,985
Finance costs, net	6	(2,436)	(2,006)
Income before income taxes		88,353	45,979
Income tax expense	7	(27,114)	(19,861)
Net income		\$ 61,239	\$ 26,118
Other comprehensive income (loss), net of taxes			
Actuarial loss on post-employment benefit obligations, net of tax	16	(4)	(4)
Comprehensive income		\$ 61,235	\$ 26,114

The accompanying notes are an integral part of these combined carve-out financial statements.

THE HEMLO MINE
Combined Carve-Out Statements of Cash Flows
For the years ended December 31, 2024 and 2023
(Expressed in thousands of United States Dollars unless otherwise stated)

	Note	Year Ended December 31,	
		2024	2023
OPERATING ACTIVITIES			
Net income		\$ 61,239	\$ 26,118
Adjustments for the following items:			
Depreciation	5	37,124	28,427
Finance costs, net	6	2,436	2,006
Income tax expense	7	27,114	19,861
Other operating activities	8	1,880	2,031
Change in working capital	8	5,934	(15,802)
Operating cash flows before interest and income taxes		135,727	62,641
Interest paid	6	(811)	(117)
Interest received	6	91	17
Income taxes paid		(14,161)	(4,201)
Net cash provided by operating activities		120,846	58,340
INVESTING ACTIVITIES			
Capital expenditures	11	(38,042)	(41,247)
Proceeds on sale of property, plant and equipment		209	—
Net cash used in investing activities		(37,833)	(41,247)
FINANCING ACTIVITIES			
Lease repayments	13	(3,033)	(2,657)
Net distributions to parent	14	(83,988)	(14,130)
Net cash used in financing activities		(87,021)	(16,787)
Net (decrease) increase in cash and cash equivalents		(4,008)	306
Cash and cash equivalents, beginning of year		8,955	8,649
Cash and cash equivalents, end of year		\$ 4,947	\$ 8,955

The accompanying notes are an integral part of these combined carve-out financial statements.

THE HEMLO MINE
Combined Carve-Out Statements of Financial Position
As at December 31, 2024
(Expressed in thousands of United States Dollars unless otherwise stated)

	Note	December 31, 2024	December 31, 2023
ASSETS			
Current assets			
Cash		\$ 4,947	\$ 8,955
Accounts receivable		652	654
Inventories	9	17,193	19,221
Other current assets	10	4,571	4,433
Total current assets		<u>27,363</u>	<u>33,263</u>
Non-current assets			
Property, plant and equipment	11	384,340	372,858
Goodwill	2(N)	63,000	63,000
Total assets		<u>\$ 474,703</u>	<u>\$ 469,121</u>
LIABILITIES AND PARENT INVESTMENT			
Current liabilities			
Accounts payable	12	\$ 32,990	\$ 32,080
Lease liabilities	13	1,596	3,348
Related party payables	14	10,608	5,942
Current income tax liabilities	7	30,234	14,161
Other current liabilities		15	22
Total current liabilities		<u>75,443</u>	<u>55,553</u>
Non-current liabilities			
Lease liabilities	13	7,621	1,722
Environmental rehabilitation provision	15	52,960	47,279
Other non-current liabilities	16	194	209
Deferred income tax liabilities	7	75,534	78,654
Total liabilities		<u>211,752</u>	<u>183,417</u>
Parent investment			
Net parent investment		262,959	285,708
Accumulated other comprehensive income	16	(8)	(4)
Total parent investment		<u>262,951</u>	<u>285,704</u>
Total liabilities and parent investment		<u>\$ 474,703</u>	<u>\$ 469,121</u>

The accompanying notes are an integral part of these combined carve-out financial statements.

THE HEMLO MINE**Combined Carve-Out Statements of Changes in Parent Investment****For the years ended December 31, 2024 and 2023***(Expressed in thousands of United States Dollars unless otherwise stated)*

	Note	Net parent investment	Accumulated other comprehensive income	Total parent investment
		<u> </u>	<u> </u>	<u> </u>
At January 1, 2024		\$ 285,708	\$ (4)	\$ 285,704
Net income		61,239	—	61,239
Net distributions to parent	14	(83,988)	—	(83,988)
Comprehensive income (loss)	16	—	(4)	(4)
At December 31, 2024		\$ 262,959	\$ (8)	\$ 262,951
At January 1, 2023		\$ 273,720	\$ —	\$ 273,720
Net income		26,118	—	26,118
Net distributions to parent	14	(14,130)	—	(14,130)
Comprehensive income (loss)	16	—	(4)	(4)
At December 31, 2023		\$ 285,708	\$ (4)	\$ 285,704

The accompanying notes are an integral part of these combined carve-out financial statements

THE HEMLO MINE
Notes to the Combined Carve-Out Financial Statements
December 31, 2024
(Expressed in thousands of United States Dollars unless otherwise stated)

1. General information

For the periods presented, Hemlo is comprised of a collection of three mines; the Williams Mine, David Bell Mine and Golden Giant Mine. Hemlo is wholly-owned by Barrick Gold Inc. ("BGI"), a company incorporated in Ontario, Canada. Operations are managed by two wholly-owned subsidiaries of BGI; Williams Operating Corporation ("WOCO") and DB Operating Corporation ("DB") (together "Hemlo" or "The Hemlo Mine"). WOCO was incorporated in 1989 and DB was incorporated in 1984 and each are governed by the *Business Corporations Act (British Columbia)*. BGI's ultimate parent company is Barrick Mining Corporation ("BMC"), a company incorporated in British Columbia.

The Hemlo Mine is located in Bomby Township, in northwestern Ontario, Canada, north of Lake Superior and east of the town of Marathon, Ontario. The Hemlo Mine consists of the Williams Mine and processing facility located at the western end of the property, the David Bell Mine located at the eastern end of the property, and the Golden Giant Mine in the central position. The David Bell Mine and Golden Giant Mine ceased production in 2014. They are closed and currently in progressive reclamation. Underground operations continue at the Williams Mine while the Open Pit operations ceased production in 2020. Hemlo is principally engaged in the production and sale of gold and silver, as well as related activities including exploration, mine development, and processing.

On September 10, 2025, Barrick reached an agreement to sell Hemlo; refer to Note 20.

2. Material accounting policy information

A) Statement of compliance

These combined carve-out financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS"). Accounting policies are consistently applied to all periods presented, unless otherwise stated. These combined carve-out financial statements were approved for issuance by BGI's Board of Directors on November 21, 2025. The accompanying combined carve-out financial statements have been prepared according to IFRS 1 D16(a) using the historical results of operations and historical cost basis of the assets and liabilities of BGI that comprise Hemlo. Prior to Hemlo's first-time adoption of IFRS, BGI and BGI's ultimate parent, Barrick, reported Hemlo's financial information in accordance with IFRS at the consolidated level in Barrick's consolidated financial statements.

B) Basis of preparation

These combined carve-out financial statements present the combined carve-out financial position, results of operations, and cash flows of The Hemlo Mine which is comprised of the Williams Mine, David Bell Mine, Golden Giant Mine, WOCO and DB, collectively referred to as the "Combining Entities". These combined carve-out statements are the first set of financial statements of Hemlo as the business did not constitute a stand-alone legal entity in any of the periods presented.

These combined carve-out financial statements have been prepared as if Hemlo had operated as a single economic group during the reporting periods presented. The Hemlo Mine does not constitute a single legal group. Accordingly, these combined carve-out financial statements have been prepared on a combined carve-out basis, which involves aggregating the financial information of the Combining Entities and eliminating intercompany transactions, income and expenses, and profit or losses. Comparative figures have been presented as if the Combining Entities had been combined for the entire comparative period.

THE HEMLO MINE
Notes to the Combined Carve-Out Financial Statements
December 31, 2024
(Expressed in thousands of United States Dollars unless otherwise stated)

The combined carve-out financial statements include the assets, liabilities, revenues and expenses directly attributable to The Hemlo Mine, together with certain allocated amounts from Barrick and its subsidiaries related to the combined business. Allocations from Barrick and its subsidiaries include items such as shared services, centralized functions, or corporate overhead. Allocations were determined on a reasonable and consistent basis using metrics by management that reflect the cost of the combined business, such as headcounts, time, and production ounces. These costs are included in *Cost of sales* and *Other (income) expense* on the combined carve-out statements of income and comprehensive income; refer to Note 14.

The combined carve-out financial statements reflect the historical results of The Hemlo Mine, which has been operated as a part of Barrick as a whole. In preparing the combined carve-out financial statements in accordance with IFRS, management has made estimates and assumptions that may differ significantly from actual results had The Hemlo Mine historically been operated as a separate company. As Hemlo did not operate as a stand-alone entity in the past, these combined carve-out financial statements may not be indicative of Hemlo's future performance and do not necessarily reflect what its results of operations, financial position and cash flows would have been had Hemlo operated as a separate entity apart from Barrick during the periods presented.

These combined carve-out financial statements have been prepared on a historical cost basis, except where explicitly stated in the accounting policy note disclosure. Hemlo's financial statements are presented in United States Dollars ("USD"), which is its functional and presentation currency. All values are rounded to the nearest thousands, except where otherwise noted.

Hemlo is not a stand-alone legal entity in the historical periods presented, therefore, Net parent investment is shown in lieu of shareholders' equity in these combined carve-out financial statements. Net parent investment represents the cumulative net investment by BGI in Hemlo through that date. The impact of transactions between Hemlo and BGI that were historically settled in cash are also included in Net parent investment.

C) Foreign currency translation

Hemlo translates all non-USD asset and liability balances or transactions into USD using the closing exchange rate as of the combined carve-out statements of financial position date with translation gains and losses recorded in *Other (income) expense* on the combined carve-out statement of income and comprehensive income. Non-USD balances for these operations are translated into USD as follows:

- Property, plant and equipment ("PP&E"), and intangible assets using the rates at the time of acquisition;
- Deferred tax assets and liabilities using the closing exchange rate as at the combined carve-out statements of financial position date with translation gains and losses recorded in income tax expense;
- Other assets and liabilities using the closing exchange rate as at the financial position date with translation gains and losses recorded in *Other (income) expense*; and
- Income and expenses using the average exchange rate for the period, except for expenses that relate to non-monetary assets and liabilities measured at historical rates, which are translated using the same historical rate as the associated non-monetary assets and liabilities.

D) Revenue recognition

Gold and Silver Bullion Sales

Hemlo's revenue comes from the sale of gold and silver bullion. Hemlo produces doré bars, which is then processed further into bullion. Doré is an alloy consisting primarily of gold but also containing silver and

THE HEMLO MINE
Notes to the Combined Carve-Out Financial Statements
December 31, 2024
(Expressed in thousands of United States Dollars unless otherwise stated)

other metals. Doré originating from Hemlo is sent to refiners to refine into gold and silver bullion that meets the required market standard of 99.95% gold and silver. WOCO arranges for the transport and refining of the doré produced by the Williams Mine. Under the terms of WOCO's refining agreements, the doré bars are refined for a fee, and Hemlo's share of the refined gold and the separately-recovered silver is sold to the open markets.

Hemlo recognizes revenue for the sale of gold and silver bullion when it satisfies the performance obligation of transferring gold and silver inventory to its customers, which occurs upon the transfer of gold and silver bullion credits as this is the point at which the customer obtains the ability to direct the use and obtain substantially all of the remaining benefits of ownership of the asset. Hemlo recognizes the sale of gold and silver bullion credits at the agreed upon market price when gold and silver bullion credits are delivered to the customer. The transaction price is determined based on the market price and the number of ounces delivered. Receivables related to gold and silver bullion sales are collected directly by BGI; which are then recorded as a reduction to *Net parent investment* on the combined carve-out statements of financial position; refer to Note 14.

By-product sales

Hemlo also sells by-product loaded carbon fines containing residual gold and silver sold to third party external refineries and smelters for further treatment and refining. Hemlo recognizes revenue for by-product sales when the customers obtain the ability to direct the use and obtain substantially all of the remaining benefits of ownership of the by-products. Hemlo recognizes revenue from the sale of by-products based on the agreed upon market price and the number of ounces contained in the by-product.

E) Exploration and evaluation

Exploration expenditures are the costs incurred in the initial search for mineral deposits with economic potential or in the process of obtaining more information about existing mineral deposits. Exploration expenditures typically include costs associated with prospecting, sampling, mapping, diamond drilling and other work involved in searching for ore.

Evaluation expenditures are the costs incurred to establish the technical and commercial viability of developing mineral deposits identified through exploration activities or by acquisition. Evaluation expenditures include the cost of: (i) establishing the volume and grade of deposits through drilling of core samples, trenching and sampling activities in an ore body that is classified as either a mineral resource or a proven and probable reserve; (ii) determining the optimal methods of extraction and metallurgical and treatment processes; (iii) studies related to surveying, transportation and infrastructure requirements; (iv) permitting activities; and (v) economic evaluations to determine whether development of the mineralized material is commercially justified, including scoping, pre-feasibility and final feasibility studies.

Exploration and evaluation expenditures are expensed as incurred unless management determines that probable future economic benefits will be generated as a result of the expenditures. Once the technical feasibility and commercial viability of a program or project has been demonstrated with a pre-feasibility study, and we have recognized reserves in accordance with the Canadian Securities Administrators' National Instrument 43-101 - *Standards of Disclosure for Mineral Projects*, future expenditures are accounted for as incurred in the development of that program or project in accordance with our policy for Property, Plant and Equipment, as described in Note 2(K).

F) Production stage

During the production stage, costs are either capitalized to inventory or expensed, except for capitalizable costs related to property, plant and equipment additions or improvements, open pit stripping activities that

THE HEMLO MINE
Notes to the Combined Carve-Out Financial Statements
December 31, 2024
(Expressed in thousands of United States Dollars unless otherwise stated)

provide a future benefit, underground mine development or expenditures that meet the criteria for capitalization in accordance with *IAS 16 Property, Plant and Equipment*.

G) Taxation

Prior to the preparation of these combined carve-out financial statements, Hemlo did not file separate tax returns. Income taxes relating to the Hemlo operations were paid by BGI. The Combining Entities were not legally obligated to reimburse BGI for such payments.

The income taxes associated to Hemlo's combined carve-out financial statements have been calculated as if it had operated as a separate taxpayer within Ontario, Canada. Therefore, the income tax expense for the period is the amount of tax payable or refundable based on Hemlo's hypothetical tax returns, and is presented as current tax expense.

Current tax expense is based on local taxable income at the local statutory tax rate enacted or substantively enacted at the financial position date and includes adjustments to tax payable or recoverable in respect of previous periods.

Deferred tax is recognized using the balance sheet method in respect of all temporary differences between the tax bases of assets and liabilities, and their carrying amounts for financial reporting purposes. Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which the asset is realized or the liability is settled, based on tax rates and tax laws enacted or substantively enacted at the financial position date.

Deferred income tax assets are recognized for all deductible temporary differences and the carryforward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carryforward of unused tax assets and unused tax losses can be utilized. The carrying amount of deferred income tax assets is reviewed at each financial position date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized. To the extent that an asset not previously recognized fulfills the criteria for recognition, a deferred income tax asset is recorded.

Current and deferred tax relating to items recognized directly in parent investment are recognized in parent investment and not in the statement of income and comprehensive income.

Hemlo is subject to assessments by various taxation authorities, who may interpret tax legislation differently than Hemlo. Tax liabilities for uncertain tax positions are adjusted by Hemlo to reflect its best estimate of the probable outcome of assessments and in light of changing facts and circumstances, such as the completion of a tax audit, expiration of a statute of limitations, the refinement of an estimate, and interest accruals associated with the uncertain tax positions until they are resolved. Some of these adjustments require significant judgment in estimating the timing and amount of any additional tax expense.

Ontario Mining Tax

Hemlo is subject to the Ontario Mining Tax (OMT), a profit-based tax on mineral extraction activities from mines in Ontario, as governed by the Mining Tax Act, RSO 1990, c M.15. OMT is treated as an income tax under IAS 12 and is calculated at a rate of 10% for non-remote mines and 5% for remote mines, after a \$500,000 annual deduction shared among associated corporations. Hemlo is classified as a "non-remote mine" under the Act subject to the rate of 10% on taxable profits after the \$500,000 annual deduction.

THE HEMLO MINE
Notes to the Combined Carve-Out Financial Statements
December 31, 2024
(Expressed in thousands of United States Dollars unless otherwise stated)

Canadian sales taxes recoverable

Hemlo is subject to the Harmonized Sales Tax (HST) at a rate of 13%, comprising a 5% federal Goods and Services Tax (GST) component and an 8% provincial component, administered by the Canada Revenue Agency (CRA). Hemlo claims input tax credits (ITCs) on HST paid for business-related purchases, including fuel, drilling equipment, and professional services used in mining operations. Hemlo's sales of refined gold are zero-rated under the Excise Tax Act, allowing full ITC recovery without charging HST. Canadian sales taxes recoverable include ITCs recoverable and are recorded at its undiscounted amount. If collection is expected in one year or less, they are classified as *Other current assets* on the combined carve-out statements of financial position. Amounts not expected to be recovered within twelve months are classified as *Other non-current assets* on the combined carve-out statements of financial position.

H) Royalties

Hemlo is subject to royalty arrangements based on mineral production. The primary type of royalty is a net smelter return ("NSR") royalty. Under this type of royalty, we pay the holder an amount calculated as the royalty percentage multiplied by the value of gold production at market gold prices less third-party smelting, refining and transportation costs. Royalty expense is recorded on completion of the production or sales process in *Cost of sales*. Other types of royalties include:

- Net profits interest royalty,
- Gold revenue royalty.

I) Accounts receivable

Accounts receivables are carried at original invoice amount less a provision for impairment based on a review of all outstanding amounts on a regular basis. If collection is expected in one year or less, they are classified as current assets. If not, they are presented as non-current assets.

J) Inventory

Material extracted is classified as either ore or waste. Ore represents material that, at the time of extraction, we expect to process into a saleable form and sell at a profit. Ore is accumulated in stockpiles that are subsequently processed into gold in a saleable form. Work in process represents gold in the processing circuit that has not completed the production process and is not yet in a saleable form. Finished goods inventory represents gold in saleable form.

Metal inventories are valued at the lower of cost and net realizable value. Cost is determined on a weighted average basis and includes all costs incurred, based on a normal production capacity, in bringing each product to its present location and condition. Cost of inventories comprises direct labor, materials and contractor expenses; depreciation on property, plant and equipment; and an allocation of general and administrative costs. As ore is removed for processing, costs are removed based on the average cost per ounce in the stockpile. Net realizable value is determined with reference to relevant market prices less applicable variable selling and processing costs.

Mine operating supplies represent commodity consumables and other raw materials used in the production process, as well as spare parts and other maintenance supplies that are not classified as capital items. Provisions are recorded to reduce mine operating supplies to net realizable value, which is generally calculated by reference to its salvage or scrap value, when it is determined that the supplies are obsolete. Provisions are reversed to reflect subsequent recoveries in net realizable value where the inventory is still on hand.

THE HEMLO MINE
Notes to the Combined Carve-Out Financial Statements
December 31, 2024
(Expressed in thousands of United States Dollars unless otherwise stated)

K) Property, plant and equipment ("PP&E")

Estimated useful lives of Major Asset Categories

Buildings, plant and equipment	7 - 13 years; Life of Mine
Mobile equipment	5 - 7 years
Light vehicles	2 - 3 years
Furniture, computer and office equipment	2 - 3 years

Buildings, plant and equipment

At acquisition, we record buildings, plant and equipment at cost, including all expenditures incurred to prepare an asset for its intended use. These expenditures consist of: the purchase price; brokers' commissions; and installation costs including architectural, design and engineering fees, legal fees, survey costs, site preparation costs, freight charges, transportation insurance costs, duties, testing and preparation charges. We capitalize costs that meet the asset recognition criteria. Costs incurred that do not extend the productive capacity or useful economic life of an asset are considered repairs and maintenance expense and are accounted for as a cost of the inventory produced in the period.

Buildings, plant and equipment are depreciated on a straight-line basis over their expected useful life, which commences when the assets are considered available for use. Once buildings, plant and equipment are considered available for use they are measured at cost less accumulated depreciation and applicable impairment losses.

Depreciation on equipment utilized in the development of assets, including underground mine development, is recapitalized as development costs attributable to the related asset.

Mineral properties

Carrying value of mineral properties consist of: original cost; underground mine development costs; open pit mine development costs; and capitalized exploration and evaluation costs; less depletion and impairments. In addition, we incur project costs which are generally capitalized when the expenditures result in a future benefit.

Underground mine development costs

At our underground mines, we incur development costs to build new shafts, drifts and ramps that will enable us to physically access ore underground. The time over which we will continue to incur these costs depends on the mine life. These underground development costs are capitalized as incurred.

Capitalized underground development costs are depreciated on a Units of production ("UOP") basis, whereby the denominator is the estimated ounces of gold in proven and probable reserves and the portion of resources considered probable of economic extraction based on the current Life of Mine ("LOM") plan that benefit from the development and are considered probable of economic extraction.

Open pit mine development costs

In open pit mining operations, it is necessary to remove overburden and other waste materials to access ore from which minerals can be extracted economically. The process of mining overburden and waste materials is referred to as stripping. Stripping costs incurred in order to provide access to the ore body are capitalized as open pit mine development costs.

Capitalized open pit mine development costs are depreciated on a UOP basis whereby the denominator is the estimated ounces of gold in proven and probable reserves and the portion of resources considered

THE HEMLO MINE
Notes to the Combined Carve-Out Financial Statements
December 31, 2024
(Expressed in thousands of United States Dollars unless otherwise stated)

probable of economic extraction based on the current LOM plan that benefit from the development and are considered probable of economic extraction.

Construction-in-progress

Assets under construction are capitalized as construction-in-progress until the asset is available for use. The cost of construction-in-progress comprises its purchase price and any costs directly attributable to bringing it into working condition for its intended use. Construction-in-progress amounts related to development projects are included in the carrying amount of the development project. Construction-in-progress amounts incurred at operating mines are presented as a separate asset within PP&E. Construction-in-progress also includes deposits on long lead items. Construction-in-progress is not depreciated. Depreciation commences once the asset is complete and available for use.

L) Leases

Leases are recognized as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by Hemlo. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- variable lease payments that are based on an index or a rate;
- amounts expected to be payable by the lessee under residual value guarantees;
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option; and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be determined, the lessee's incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of the lease liability;
- any lease payments made at or before the commencement date less any lease incentives received;
- any initial direct costs; and
- restoration costs.

Payments associated with short-term leases and leases of low-value assets are recognized on a straight-line basis as an expense in profit or loss. Short-term leases are leases with terms of 12 months or less and are generally comprised of small mining equipment.

M) Impairment of non-current assets

Hemlo reviews and tests the carrying amounts of PP&E with finite lives when an indicator of impairment is considered to exist. Impairment assessments on PP&E are conducted at the level of the cash generating unit ("CGU"), which is the lowest level for which identifiable cash flows are largely independent of the cash flows of other assets and includes most liabilities specific to the CGU. The Hemlo Mine's operations are defined and reviewed by management as one CGU for impairment testing.

THE HEMLO MINE
Notes to the Combined Carve-Out Financial Statements
December 31, 2024
(Expressed in thousands of United States Dollars unless otherwise stated)

At Hemlo, the recoverable amount of a CGU is the Fair Value Less Costs of Disposal ("FVLCD") for impairment testing purposes. An impairment loss is recognized for any excess of the carrying amount of a CGU over its recoverable amount where both the recoverable amount and carrying value include the associated other assets and liabilities, including taxes, of the CGU.

N) Goodwill

Goodwill is tested for impairment in the fourth quarter of the year and also when there is an indicator of impairment. For purposes of impairment testing, goodwill is tested at the Hemlo level, which is the level management monitors internally. Goodwill impairment charges are not reversible.

The consideration offered for the sale of Hemlo provides support that there is no impairment as the consideration offered exceeds Hemlo's carrying value; refer to Note 20.

O) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value hierarchy establishes three levels to classify the inputs to valuation techniques used to measure fair value (Note 18).

P) Accounts payable

Accounts payable are recognized initially at fair value and subsequently measured at amortized cost. Accruals for accounts payable are based on Hemlo's estimation of all current liabilities, including goods and services either received or partially received.

Q) Environmental rehabilitation provision ("PER")

Mining, extraction and processing activities normally give rise to obligations for environmental rehabilitation. Rehabilitation work can include facility decommissioning and dismantling; removal or treatment of waste materials; site and land rehabilitation, including compliance with and monitoring of environmental regulations; security and other site-related costs required to perform the rehabilitation work; and operation of equipment designed to reduce or eliminate environmental effects. The extent of work required, and the associated costs are dependent on the requirements of relevant authorities and our environmental policies. Routine operating costs that may impact the ultimate closure and rehabilitation activities, such as waste material handling conducted as an integral part of a mining or production process, are not included in the provision. Abnormal costs arising from unforeseen circumstances, such as the contamination caused by unplanned discharges, are recognized as an expense and liability when the event that gives rise to an obligation occurs and reliable estimates of the required rehabilitation costs can be made.

Provisions for the cost of each rehabilitation program are normally recognized at the time that an environmental disturbance occurs, or a new legal or constructive obligation is determined. When the extent of disturbance increases over the life of an operation, the provision is increased accordingly. The major parts of the carrying amount of provisions relate to closure/rehabilitation of tailings facilities, waste dumps; demolition of buildings/mine facilities; ongoing water treatment; and ongoing care and maintenance and security of closed mines. Costs included in the provision encompass all closure and rehabilitation activity expected to occur progressively over the life of the operation at the time of closure and post-closure in connection with disturbances as at the reporting date. Estimated costs included in the determination of the provision reflect the risks and probabilities of alternative estimates of cash flows required to settle the obligation at each particular operation. The expected rehabilitation costs are estimated based on the cost of external contractors performing the work or the cost of performing the work internally depending on management's intention.

THE HEMLO MINE
Notes to the Combined Carve-Out Financial Statements
December 31, 2024
(Expressed in thousands of United States Dollars unless otherwise stated)

The timing of the actual rehabilitation expenditure is dependent upon a number of factors such as the life and nature of the asset, the operating license conditions and the environment in which the mine operates. Expenditures may occur before and after closure and can continue for an extended period of time depending on rehabilitation requirements. The unwinding of the discount, referred to as accretion expense, is included in *Finance costs* and results in an increase in the amount of the provision. Provisions are updated each reporting period for changes to expected cash flows and for the effect of changes in the discount rate, and the change in estimate is added or deducted from the related asset and depreciated over the expected economic life of the operation to which it relates.

Significant judgments and estimates are involved in forming expectations of future activities, the amount and timing of the associated cash flows and the period over which Hemlo estimates those cash flows. Those expectations are formed based on existing environmental and regulatory requirements or, if more stringent, our environmental policies which give rise to a constructive obligation.

When provisions for closure and rehabilitation are initially recognized, the corresponding cost is capitalized as an asset, representing part of the cost of acquiring the future economic benefits of the operation. The capitalized cost of closure and rehabilitation activities is recognized in PP&E and depreciated over the expected economic life of the operation to which it relates.

Adjustments to the estimated amount and timing of future closure and rehabilitation cash flows are a normal occurrence in light of the significant judgments and estimates involved. The principal factors that can cause expected cash flows to change are: the construction of new processing facilities; changes in the quantities of material in reserves and resources with a corresponding change in the life of mine plan; changing ore characteristics that impact required environmental protection measures and related costs; changes in water quality that impact the extent of water treatment required; changes in discount rates; changes in foreign exchange rates; changes in closure policies; and changes in laws and regulations governing the protection of the environment.

Rehabilitation provisions are adjusted as a result of changes in estimates and assumptions. Those adjustments are accounted for as a change in the corresponding cost of the related assets, including the related mineral property, except where a reduction in the provision is greater than the remaining net book value of the related assets, in which case the value is reduced to nil and the remaining adjustment is recognized in the combined carve-out statements of income. In the case of closed sites, changes in estimates and assumptions are recognized immediately in the combined carve-out statements of income. For an operating mine, the adjusted carrying amount of the related asset is depreciated prospectively. Adjustments also result in changes to future accretion costs, which are included in *Finance costs*. Provisions are discounted to their present value using a current Canadian dollar ("CAD") real risk-free pre-tax discount rate and the accretion expense is included in *Finance costs*.

R) Litigation and other provisions

Provisions are recognized when a present obligation exists (legal or constructive), as a result of a past event, for which it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. Provisions are discounted to their present value using a current US dollar real risk-free pretax discount rate and the accretion expense is included in *Finance costs*.

Certain conditions may exist as of the date the financial statements are issued, which may result in a loss to Hemlo, but which will only be resolved when one or more future events occur or fail to occur. In assessing loss contingencies related to legal proceedings that are pending against us or unasserted claims that may result in such proceedings, Hemlo with assistance from its legal counsel evaluates the

THE HEMLO MINE
Notes to the Combined Carve-Out Financial Statements
December 31, 2024
(Expressed in thousands of United States Dollars unless otherwise stated)

perceived merits of any legal proceedings or unasserted claims as well as the perceived merits of the amount of relief sought or expected to be sought.

If the assessment of a contingency suggests that a loss is probable, and the amount can be reliably estimated, then a loss is recorded. When a contingent loss is not probable but is reasonably possible or is probable, but the amount of loss cannot be reliably estimated, then details of the contingent loss are disclosed.

Loss contingencies considered remote are generally not disclosed unless they involve guarantees, in which case the nature of the guarantee is disclosed. Legal fees incurred in connection with pending legal proceedings are expensed as incurred. Contingent gains are only recognized when the inflow of economic benefits is virtually certain.

S) Stock-based compensation

Barrick Restricted Share Units

Hemlo recognizes stock-based compensation related to Restricted Share Units ("RSUs") issued to certain employees that are awarded Barrick notional shares in exchange for employee services. The number of Barrick notional shares awarded to employees under the RSU plan is determined by dividing the dollar value of the award by the closing price of BMC's common shares on the day prior to the grant. Additional RSUs are credited to reflect dividends paid on Barrick common shares over the vesting period. Upon vesting, Hemlo pays a cash settlement, net of tax, to awarded employees based on the number of Barrick notional shares held by the employee and the fair value of Barrick's common shares. RSUs have a value equal to one Barrick common share and vest within three years in cash and the after-tax value of the award may be used to purchase Barrick common shares on the open market, depending on the terms of the grant.

Barrick's RSUs are considered cash-settled awards and are measured at fair value initially using the market value of the underlying shares on the day preceding the date of grant of the award and are required to be remeasured to fair value at each reporting date until settlement. The cost is then recorded over the vesting period of the award. This expense, and any changes in the fair value of the award, is recorded to the same expense category as the award recipient's payroll costs. The RSU liability is recorded within *Related party payables* in the combined carve-out statements of financial position, until settled since Barrick Gold of North America Inc. ("BGNA") manages the settlement of these costs (Note 14).

Barrick share purchase plan

Hemlo recognizes stock-based compensation related to Barrick's Share Purchase Plan ("BSPP"). Hemlo employees can purchase BMC common shares equivalent to 1%-10% of their base salary, and Hemlo will purchase Barrick common shares on behalf of the Hemlo employee to match 100% of the contribution, up to a maximum of USD \$4,000, or CAD \$5,000, per year. Shares purchased with employee contributions have no vesting requirement. The shares held by Hemlo employees purchased with Hemlo contributions vest to the employee over five years or until the employee ceases employment.

Hemlo recognizes the expense as part of compensation expense on the combined carve-out statement of income when contributions are made and recognizes a corresponding liability in *Accounts payable* on the combined carve-out statements of financial position. Hemlo does not recognize an expense nor corresponding liability on future contributions to be made.

THE HEMLO MINE
Notes to the Combined Carve-Out Financial Statements
December 31, 2024
(Expressed in thousands of United States Dollars unless otherwise stated)

T) New accounting pronouncements issued but not yet effective

Certain new accounting standards and amendments have been published that are not mandatory.

- Amendments to the Classification and Measurement of Financial Instruments (IFRS 9 and IFRS 7) with mandatory application of the standard in annual reporting periods beginning on or after January 1, 2026.
- IFRS 18 Presentation and Disclosure in Financial Statements with mandatory application of the standard in annual reporting periods beginning on or after January 1, 2027.

Management is assessing the impact of the new standards and amendments on the combined financial statements. No standards have been early adopted in the current period.

3. Significant judgments and estimates

Many of the amounts included in the combined carve-out statements of financial position require management to make judgments and/or estimates. These judgments and estimates are continuously evaluated and are based on management's experience and knowledge of the relevant facts and circumstances. Actual results may differ from the estimates. Information about such judgments and estimates is contained in the description of our accounting policies and/or other notes to the financial statements. The key areas where judgments, estimates and assumptions have been made are summarized below.

Life of mine plans and reserves and resources

Estimates of the quantities of proven and probable mineral reserves and mineral resources form the basis for our LOM plans, which are used for a number of important business and accounting purposes, including: the calculation of depreciation expense; the capitalization of production phase stripping costs; and forecasting the timing of the payments related to the environmental rehabilitation provision. In addition, the underlying LOM plans are used in the impairment tests for goodwill and non-current assets. In certain cases, these LOM plans have made assumptions about our ability to obtain the necessary permits required to complete the planned activities. Hemlo's ore reserves and mineral resources are estimated based on information compiled by qualified persons as defined in accordance with the Canadian Securities Administrators' National Instrument 43-101 Standards of Disclosure for Mineral Projects requirements.

Inventory

The measurement of inventory including the determination of its net realizable value involves the use of estimates. Net realizable value is determined with reference to relevant market prices less applicable variable selling expenses. Estimation is also required in determining the tonnage, recoverable gold contained therein, and in determining the remaining costs of completion to bring inventory into its saleable form. Judgment also exists in determining whether to recognize a provision for obsolescence on mine operating supplies, and estimates are required to determine salvage or scrap value of supplies.

Impairment of non-current assets and goodwill

Goodwill and non-current assets are tested for impairment if there is an indicator of impairment and in the case of goodwill annually during the fourth quarter. We consider both external and internal sources of information for indications that non-current assets and/or goodwill are impaired. External sources of information we consider include changes in the market, economic, legal and permitting environment in which the CGU operates that are not within its control and affect the recoverable amount of mining interests and goodwill. Internal sources of information we consider include the manner in which mining properties and plant and equipment are being used or are expected to be used and indications of

THE HEMLO MINE
Notes to the Combined Carve-Out Financial Statements
December 31, 2024
(Expressed in thousands of United States Dollars unless otherwise stated)

economic performance of the assets. Calculating the estimated fair values of CGUs for non-current asset and goodwill impairment tests requires management to make estimates and assumptions with respect to future production levels, operating and capital costs in our LOM plans, future metal prices, foreign exchange rates, Net Asset Value (“NAV”) multiples, fair value of value of mineral resources outside LOM plans, weighted average cost of capital, discount rates and taxes. Calculating the costs of disposal requires management to make estimates and assumptions with respect to the timing of the sale, market liquidity and transactional costs including broker fees, legal fees, regulatory costs and taxes. Changes in any of the assumptions or estimates used in determining the fair values could impact the impairment analysis.

Provisions for environmental rehabilitation

Management assesses its provision for environmental rehabilitation on an annual basis or when new information becomes available. This assessment includes the estimation of the future rehabilitation costs, the timing of these expenditures, and the impact of changes in discount rates and foreign exchange rates. The actual future expenditures may differ from the amounts currently provided if the estimates made are significantly different than actual results or if there are significant changes in environmental and/or regulatory requirements in the future.

Taxes

Management is required to assess uncertainties and make judgments and estimations regarding the tax basis of assets and liabilities and related deferred income tax assets and liabilities, amounts recorded for uncertain tax positions, the measurement of income tax expense and indirect taxes such as royalties. A number of these estimates require management to make estimates of future taxable profit, and the recoverability of indirect taxes. This evaluation is based on historic and future expected levels of taxable income, the pattern and timing of reversals of taxable temporary timing differences that give rise to deferred tax liabilities, and tax planning initiatives. Levels of future taxable profit are affected by, among other things, the market price of gold, production costs, quantities of proven and probable reserves, interest rates and foreign currency exchange rates. If actual results are significantly different than our estimates, the ability to realize the deferred tax assets and indirect tax receivables recorded on our combined carve-out statements of financial position could be impacted.

Contingencies

Contingencies can be either possible assets or possible liabilities arising from past events which, by their nature, will only be resolved when one or more future events not wholly within our control occur or fail to occur. The assessment of such contingencies inherently involves the exercise of significant judgment and estimates of the outcome of future events. In assessing loss contingencies related to legal proceedings that are pending against us or unasserted claims, that may result in such proceedings or regulatory or government actions that may negatively impact our business or operations, Hemlo with assistance from its legal counsel evaluate the perceived merits of any legal proceedings or unasserted claims or actions as well as the perceived merits of the nature and amount of relief sought or expected to be sought, when determining the amount, if any, to recognize as a contingent liability or assessing the impact on the carrying value of assets. Contingent assets are not recognized in the combined carve-out financial statements.

THE HEMLO MINE
Notes to the Combined Carve-Out Financial Statements
December 31, 2024
(Expressed in thousands of United States Dollars unless otherwise stated)

4. Revenue

	Year Ended December 31,	
	2024	2023
Gold sales	\$ 343,918	\$ 272,125
Silver sales	1,223	751
Total	\$ 345,141	\$ 272,876
<i>Gold sales</i>		
Gold bullion sales	\$ 340,247	\$ 271,815
Gold by-product sales	3,671	310
Total	\$ 343,918	\$ 272,125
<i>Silver sales</i>		
Silver bullion sales	\$ 1,213	\$ 748
Silver by-product sales	10	3
Total	\$ 1,223	\$ 751

For the year ended December 31, 2024, Hemlo has one customer that accounts for 99% (2023: 99%) of its total revenue. However, because gold can be sold through numerous gold market traders worldwide (including a large number of financial institutions), Hemlo is not economically dependent on this one customer for the sale of its bullion.

5. Cost of sales

	Note	Year Ended December 31,	
		2024	2023
Site operating cost			
Mining costs ¹		\$ 181,517	\$ 167,402
Net charge to (reduction to) Cost of Sales for cash changes in inventory	9	3,010	(4,140)
		184,527	163,262
Depreciation			
Depreciation and amortization	11	37,175	29,059
Net (reduction to) Cost of Sales for non-cash changes in inventory	9	(51)	(632)
		37,124	28,427
Royalty expense		25,339	26,636
Community relations		3,801	3,350
Total		\$ 250,791	\$ 221,675

¹ Mining costs include smelting and refining charges of \$643 (2023: \$441) and employee costs of \$32,638 (2023: \$31,869).

THE HEMLO MINE
Notes to the Combined Carve-Out Financial Statements
December 31, 2024
(Expressed in thousands of United States Dollars unless otherwise stated)

6. Finance costs

	Note	Year Ended December 31,	
		2024	2023
Interest on lease liabilities		\$ 622	\$ 117
Interest expense		189	—
Finance income		(91)	(17)
Accretion	15	1,716	1,906
Total		\$ 2,436	\$ 2,006

For the year ended December 31, 2024, Hemlo made cash interest payments of \$811 (2023: \$117).

7. Income taxes

	2024	2023
For the years ended December 31		
Current income tax expense	\$ 30,234	\$ 14,161
Deferred income tax (recovery) expense	(3,120)	5,700
Income tax expense	\$ 27,114	\$ 19,861

Reconciliation to Canadian statutory rate:

	2024	2023
For the years ended December 31		
Income before income taxes	\$ 88,353	\$ 45,979
Tax at 25% statutory rate	\$ 22,088	\$ 11,495
Ontario Mining Taxes	9,270	6,796
Allowances and tax deductions ¹	(2,412)	(987)
Recognition and derecognition of deferred tax assets	(1,906)	630
Other items	74	1,927
Income tax expense	\$ 27,114	\$ 19,861

¹ Hemlo is able to claim certain allowances, incentives and tax deductions unique to extractive industries that result in a lower effective tax rate.

THE HEMLO MINE
Notes to the Combined Carve-Out Financial Statements
December 31, 2024
(Expressed in thousands of United States Dollars unless otherwise stated)

Sources of deferred income tax assets (liabilities) are as follows:

As at December 31	<u>2024</u>	<u>2023</u>
Deferred tax assets		
Future mining tax deductions	\$ 6,665	\$ 6,711
Environmental rehabilitation provision	13,921	9,836
Net deferred tax assets	\$ 20,586	\$ 16,547
Deferred tax liabilities		
Property, plant and equipment	\$ (95,387)	\$ (95,090)
Inventories	198	211
Other	(931)	(322)
Gross deferred tax liabilities	\$ (96,120)	\$ (95,201)
Net deferred tax liabilities	\$ (75,534)	\$ (78,654)

8. Cash flow other items

	Note	<u>Year Ended December 31,</u>	
		<u>2024</u>	<u>2023</u>
Other operating activities			
Foreign currency translation losses		\$ 1,463	\$ 2,036
Closed mine rehabilitation costs	15	—	(82)
Stock-based compensation expense	18	913	1,072
Stock-based compensation payments	18	(695)	(662)
Other operating activities adjustments		199	(333)
Total		\$ 1,880	\$ 2,031
Change in working capital			
Accounts receivable		\$ (27)	\$ (27)
Inventories ¹		2,079	(4,435)
Other current assets		(232)	(232)
Accounts payable		1,699	851
Related party payables		2,422	(11,975)
Other current liabilities		(7)	16
Total		\$ 5,934	\$ (15,802)

Change in working capital excludes activity related to the following non-cash items:

	Note	<u>Year Ended December 31,</u>	
		<u>2024</u>	<u>2023</u>
¹ Inventories changes for depreciation	9	\$ 51	\$ 632

THE HEMLO MINE
Notes to the Combined Carve-Out Financial Statements
December 31, 2024
(Expressed in thousands of United States Dollars unless otherwise stated)

9. Inventories

	As at	As at
	December 31, 2024	December 31, 2023
Work in process	\$ 5,543	\$ 7,948
Finished products	2,798	3,352
Supplies inventory	8,852	7,921
Total	\$ 17,193	\$ 19,221

		Year Ended December 31,	
	Note	2024	2023
Impact to <i>Cost of Sales</i> for changes in inventory:			
Net charge to (reduction to) Cost of Sales and corresponding reduction to (increase to) Inventory for cash changes in inventory	5	\$ 3,010	\$ (4,140)
Net charge to (reduction to) Cost of Sales and corresponding reduction to (increase to) Inventory for non-cash changes in inventory	5	(51)	(632)
Net charge to (reduction to) Cost of Sales and corresponding reduction to (increase to) inventory		\$ 2,959	\$ (4,772)

10. Other current assets

	As at	As at
	December 31, 2024	December 31, 2023
Canadian sales taxes recoverable	\$ 3,731	\$ 4,167
Prepaid expenses	840	266
Total	\$ 4,571	\$ 4,433

THE HEMLO MINE
Notes to the Combined Carve-Out Financial Statements
December 31, 2024
(Expressed in thousands of United States Dollars unless otherwise stated)

11. Property, plant and equipment

	Buildings, plant and equipment	Mining property costs subject to depreciation	Mining property costs not subject to depreciation	Total
At January 1, 2024				
Net of accumulated depreciation	\$ 146,506	\$ 183,554	\$ 42,798	\$ 372,858
Additions	10,116	4,308	38,528	52,952
Disposals - cost	(15,776)	—	—	(15,776)
Disposals - depreciation	11,481	—	—	11,481
Transfers	33,453	17,330	(50,783)	—
Depreciation and amortization	(20,086)	(17,089)	—	(37,175)
At December 31, 2024	\$ 165,694	\$ 188,103	\$ 30,543	\$ 384,340

At December 31, 2024				
Cost	\$ 699,896	\$ 866,828	\$ 30,543	\$ 1,597,267
Accumulated depreciation	(534,202)	(678,725)	—	(1,212,927)
At December 31, 2024	\$ 165,694	\$ 188,103	\$ 30,543	\$ 384,340

	Buildings, plant and equipment	Mining property costs subject to depreciation	Mining property costs not subject to depreciation	Total
At January 1, 2023				
Net of accumulated depreciation	\$ 153,757	\$ 180,017	\$ 26,255	\$ 360,029
Additions	5,508	(4,873)	41,253	41,888
Transfers	3,606	21,104	(24,710)	—
Depreciation and amortization	(16,365)	(12,694)	—	(29,059)
At December 31, 2023	\$ 146,506	\$ 183,554	\$ 42,798	\$ 372,858

At December 31, 2023				
Cost	\$ 672,103	\$ 845,190	\$ 42,798	\$ 1,560,091
Accumulated depreciation	(525,597)	(661,636)	—	(1,187,233)
At December 31, 2023	\$ 146,506	\$ 183,554	\$ 42,798	\$ 372,858

THE HEMLO MINE
Notes to the Combined Carve-Out Financial Statements
December 31, 2024
(Expressed in thousands of United States Dollars unless otherwise stated)

Right-of-use assets included in Buildings, plant and equipment and Mining property costs subject to depreciation are comprised of the following:

As at December 31, 2024	Cost	Accumulated depreciation	Net book value
Right-of-use assets included in Buildings, plant and equipment	<u>\$ 11,204</u>	<u>\$ (1,221)</u>	<u>\$ 9,983</u>
Mining property costs subject to depreciation are comprised of the following:			
Asset retirement costs	\$ 72,444	\$ (65,153)	\$ 7,291
Acquired mineral reserves and resources and capitalized exploration and evaluation costs	136,410	(137,708)	(1,298)
Capitalized mine development costs	<u>657,974</u>	<u>(475,864)</u>	<u>182,110</u>
Total	<u>\$ 866,828</u>	<u>\$ (678,725)</u>	<u>\$ 188,103</u>

As at December 31, 2023	Cost	Accumulated depreciation	Net book value
Right-of-use assets included in Buildings, plant and equipment	<u>\$ 13,709</u>	<u>\$ (8,612)</u>	<u>\$ 5,097</u>
Mining property costs subject to depreciation are comprised of the following:			
Asset retirement costs	\$ 68,137	\$ (65,104)	\$ 3,033
Acquired mineral reserves and resources and capitalized exploration and evaluation costs	136,410	(137,889)	(1,479)
Capitalized mine development costs	<u>640,643</u>	<u>(458,643)</u>	<u>182,000</u>
Total	<u>\$ 845,190</u>	<u>\$ (661,636)</u>	<u>\$ 183,554</u>

Mining property costs not subject to depreciation is comprised of the following:

	Carrying amount at December 31, 2024	Carrying amount at December 31, 2023
Construction-in-progress	\$ 11,528	\$ 32,388
Land at cost	101	101
Acquired mineral resources and exploration potential	7,641	7,009
Capitalized mine development projects	<u>11,273</u>	<u>3,300</u>
Total	<u>\$ 30,543</u>	<u>\$ 42,798</u>

THE HEMLO MINE
Notes to the Combined Carve-Out Financial Statements
December 31, 2024
(Expressed in thousands of United States Dollars unless otherwise stated)

Reconciliation of cash capital expenditures:

	Year Ended December 31,	
	2024	2023
PP&E cost additions	\$ 52,952	\$ 41,888
Less: capitalized right-of-use assets lease arrangements	(10,117)	(5,508)
Less: capitalized asset retirement costs for changes in estimates and discount rates	(7,840)	5,627
Other	3,047	(760)
Total	\$ 38,042	\$ 41,247

Other PP&E disclosures:

	Year Ended December 31,	
	2024	2023
Right-of-use assets depreciation expense	\$ 2,542	\$ 2,689

12. Accounts payable

	As at	As at
	December 31, 2024	December 31, 2023
Accounts payable	\$ 10,147	\$ 14,059
Accruals	19,612	14,586
Payroll accruals	3,231	3,435
Total	\$ 32,990	\$ 32,080

13. Lease liabilities

	As at	As at
	December 31, 2024	December 31, 2023
Lease liabilities - current	\$ 1,596	\$ 3,348
Lease liabilities - non-current	7,621	1,722
Total	\$ 9,217	\$ 5,070

Hemlo leases certain assets, such as equipment and buildings. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. Included in net income for the year ended December 31, 2024 are short-term payments not included in the measurement of lease liabilities of \$869 (2023: \$821). Hemlo's leases expire at various dates through 2029. Future minimum annual lease payments are \$3,318 in 2025, \$1,824 in 2026, \$2,092 in 2027, \$2,390 in 2028 and \$1,539 in 2029, totaling \$11,164. The future minimum annual lease payments are based on contractual undiscounted cash flows and may not agree with the amounts disclosed in the combined carve-out statements of financial position.

THE HEMLO MINE
Notes to the Combined Carve-Out Financial Statements
December 31, 2024
(Expressed in thousands of United States Dollars unless otherwise stated)

Lease liabilities	Note	2024	2023
As at January 1		\$ 5,070	\$ 2,220
Capitalized right-of-use leases	11	10,117	5,508
Repayments		(3,033)	(2,657)
Lease retirements		(2,688)	—
(Gain) on currency translation		(249)	(1)
As at December 31		\$ 9,217	\$ 5,070

14. Related party transactions

Hemlo had the following significant related party transactions for the years ended December 31:

Related party	Nature of relationship	Description of transaction	2024	2023
BGNA ¹	Subsidiary of BMC	Management services included in <i>Cost of Sales</i>	\$ 2,956	\$ 2,453
BMC ²	Ultimate parent	Management services included in <i>Other (income) expense</i>	\$ 1,093	\$ 1,095
Aurum Insurance Company Inc. ³	Subsidiary of BMC	Excess property insurance costs	\$ 781	\$ 694
BGI ⁴	Parent	Net distributions to parent	\$ (83,988)	\$ (14,130)

¹ Management service charges from BGNA include the following services: ERP systems & services, government affairs, IT, supply chain, Barrick's North America regional leadership team, land services, legal services, tax services, long-term incentive /stock compensation, and office services. Management services from BGNA are included in *Cost of sales* on the combined carve-out statements of income.

² Management service charges from Barrick's corporate offices in Toronto include the following services: corporate investor relations and communications, accounting services, business planning, tax, treasury, secretarial services, strategic matters, corporate social responsibility, closure services, assurance and audit services, ERP systems and services, and operations support services. Management services from Barrick's corporate offices are included in *Other (income) expense* on the combined carve-out statements of income.

³ Coverage for excess property insurance is administered through Barrick's captive insurance entity, ABX Insurance Inc., but reinsured by a panel of third-party insurers.

⁴ Cash pooling - Hemlo utilizes Barrick's centralized processes and systems for cash management. As a result, substantially all cash received related to the sale of Hemlo's gold is deposited and commingled with BGI's general funds. Hemlo does not have the legal right to deposit or withdraw funds autonomously from BGI's general funds. In order to fund operations, Hemlo receives cash contributions from BGI deposited to its operating accounts. The total net effect of the settlement of these transactions is reflected in the combined carve-out statements of cash flows as a financing activity and in the combined carve-out statements of changes in parent investment as *Net distributions to parent*.

THE HEMLO MINE
Notes to the Combined Carve-Out Financial Statements
December 31, 2024
(Expressed in thousands of United States Dollars unless otherwise stated)

Net distributions to parent is comprised of the following for the years ended December 31:

	<u>2024</u>	<u>2023</u>
Cash pooling and general activities	\$ (341,457)	\$ (257,968)
Cash contributions from parent	257,469	243,838
Net decrease in parent company investment	<u>\$ (83,988)</u>	<u>\$ (14,130)</u>

Net parent investment

Net parent investment represents the cumulative net investment by BGI in Hemlo to date, which is comprised of *Net income* and *Net distributions to parent*.

Related party payables

Hemlo had the following related party balances classified as current payables, which are unsecured and payable on demand:

	<u>As at December 31, 2024</u>	<u>As at December 31, 2023</u>
Barrick Mining Corporation	\$ 2,541	\$ 421
Barrick Gold of North America Inc.	7,897	5,348
Other	170	173
Total	<u>\$ 10,608</u>	<u>\$ 5,942</u>

BGNA payables of \$7,897 (2023: \$5,348) includes stock-based compensation payables of \$310 (2023: \$548); refer to Note 18.

15. Environmental rehabilitation provision

As at December 31, 2024, environmental rehabilitation provisions ("PER") are comprised of non-current liabilities of \$52,960 (2023: \$47,279) and balances included in current liabilities of nil (2023: nil). The eventual settlement of all PERs is estimated to take place between 2027 and 2064. Rehabilitation provisions are measured at the expected value of future cash flows, which exclude the effect of inflation, discounted to their present value using a current CAD real risk-free pre-tax discount rate (2024: 1.53%; 2023: 1.59%). A 1% increase in the discount rate would result in a decrease in the PER by \$5,318 and a 1% decrease in the discount rate would result in an increase in the PER by \$6,001, while holding all other assumptions constant.

	<u>Year Ended December 31,</u>	
	<u>2024</u>	<u>2023</u>
Closed mine rehabilitation costs		
Change in estimate at closed properties	—	(82)
Total	<u>\$ —</u>	<u>\$ (82)</u>

THE HEMLO MINE
Notes to the Combined Carve-Out Financial Statements
December 31, 2024
(Expressed in thousands of United States Dollars unless otherwise stated)

Environmental rehabilitation	Note	2024	2023
As at January 1		\$ 47,279	\$ 50,197
Closed mine rehabilitation costs		—	(82)
PER revisions in the year	11	7,840	(5,627)
Accretion	6	1,716	1,906
(Gain) loss on currency translation		(3,875)	885
As at December 31		\$ 52,960	\$ 47,279

16. Other non-current liabilities

Non-pension post-retirement benefit plan

Other non-current liabilities as at December 31, 2024, are comprised of a non-pension post-retirement benefit plan liability of \$194 (2023: \$209). Benefits included in the plan are health care, vision care, dental care and life insurance provided to retirees from age 65 to age 70. Active employees are only eligible to receive these benefits if they retire with a minimum age of 65 and with a minimum of 10 years of service. The plan also includes retirees who have grandfathered coverage for their lifetime rather than ending at age 70. Pension costs are determined annually by independent actuaries. As the plan is unqualified, the plan is unfunded resulting in plan assets of nil. Benefits payable under the plan are provided for by Hemlo directly to the benefit service providers to meet its liabilities under the plan. Responsibility for governance of the plan lies with Hemlo. To assist with the management of the plan, Hemlo has also appointed experienced independent professional experts such as actuaries and custodians.

The table below outlines where Hemlo's post-employment amounts and activity are included in the combined carve-out financial statements for the years ended December 31:

	2024	2023
Financial position obligations	\$ 194	\$ 209
Income statement expense	\$ 18	\$ 29
Pension obligation remeasurement included in OCI	\$ 4	\$ 4

The significant assumptions used in measuring Hemlo's total benefit costs and other comprehensive income (loss) are the discount rates related to its defined benefit obligations and defined benefit costs. For the year ended December 31, 2024, Hemlo's discount rate used in measuring the defined benefit costs and obligation is 4% (2023: 4%). As at December 31, 2024, pension obligations are included in *Other non-current liabilities* on the combined carve-out statements of financial position.

THE HEMLO MINE
Notes to the Combined Carve-Out Financial Statements
December 31, 2024
(Expressed in thousands of United States Dollars unless otherwise stated)

The table below provides a reconciliation of changes in the plans' defined benefit obligation for the years ended December 31:

	<u>2024</u>	<u>2023</u>
Benefit obligation as at January 1	\$ 209	\$ 214
(Gain) loss on currency translation	(5)	6
Interest cost	8	8
Service cost	15	15
Benefit payments	(37)	(38)
Actuarial (gain) loss	4	4
Benefit obligation as at December 31	<u>\$ 194</u>	<u>\$ 209</u>

For the years ended December 31, 2024 and 2023, foreign currency translation charges, interest cost, and service cost are included within *Other (income) expense*. Actuarial gains and losses are included within *Other comprehensive income*.

The amounts recognized in the Combined Carve-Out Statements of Financial Position are determined as follows:

	<u>2024</u>	<u>2023</u>
Fair value of plan assets	\$ —	\$ —
Present value of unfunded obligations	\$ 194	\$ 209
Total deficit of defined benefit plans	194	209
Liability in <i>Other non-current liabilities</i>	<u>\$ 194</u>	<u>\$ 209</u>

Defined contribution pension plan

Hemlo provides a defined contribution pension plan ("DCPP"), whereby Hemlo makes a cash contribution of 12% of an employee's base earnings, defined as an employee's regular salary or regular scheduled hours worked multiplied by their hourly rate of pay. Contributions made by Hemlo are immediately vested 100% to the employee's account. Salaried full-time employees are eligible to participate in the plan once they have completed three months of continuous employment; hourly full-time employees are eligible after one year of continuous employment. Part-time employees, both salaried and hourly, are eligible to participate after two years of service, have earned a minimum of 35% of the year's maximum pensionable earnings and worked a minimum of 700 hours in each of the two consecutive calendar years prior to joining the plan. Employees may make voluntary contributions to the plan as long as the total contributions to their individual account do not exceed the limits specified under the *Income Tax Act of Canada*.

Contributions made by Hemlo to the DCPP are expensed in the year they are earned by the employee and recorded to the same expense category as the recipient's payroll costs on the combined carve-out statement of income. Contributions expense related to the DCPP for the year ended December 31, 2024 was \$1,792 (2023: \$1,741).

THE HEMLO MINE
Notes to the Combined Carve-Out Financial Statements
December 31, 2024
(Expressed in thousands of United States Dollars unless otherwise stated)

17. Financial risk management

Hemlo's financial instruments are comprised of financial liabilities and financial assets. Financial liabilities are comprised of accounts payable and leases. The main purpose of these financial instruments is to manage short-term cash flow and raise funds for capital expenditures. Financial assets are cash and accounts receivable, which arise directly from operations. Exposure to key financial risks is managed in accordance with Hemlo's financial risk management policy. The objective of the policy is to support the delivery of financial targets while protecting future financial security. The main risks that could adversely affect Hemlo's financial assets, liabilities or future cash flows are as follows:

- a. Market risk, including commodity price risk and foreign currency;
- b. Credit risk;
- c. Liquidity risk; and
- d. Capital risk management.

The following describes the types of financial instrument risk to which Hemlo is exposed and its objectives and policies for managing those risk exposures:

a) Market risk

Market risk is the risk that changes in market factors, such as, commodity prices, foreign exchange rates or interest rates, will affect the value of financial instruments.

Commodity price risk

Gold production is sold in the world market. The market price of gold is the primary driver of profitability and the ability to generate both operating and free cash flow. Profitability depends on sales prices for gold. Metal prices are affected by numerous factors such as interest rates, exchange rates, inflation or deflation, fluctuations in the US dollar and foreign currencies, global and regional supply and demand, and political and economic conditions.

Fuel prices

Diesel fuel and natural gas are consumed to run operations. Diesel fuel is refined from crude oil and is therefore subject to the same price volatility affecting crude oil prices. Therefore, volatility in crude oil and natural gas prices have a direct and indirect impact on production costs.

Foreign currency risk

Foreign currency risk is the risk that the fair values or future cash flows of Hemlo's financial instruments will fluctuate because of changes in foreign currency exchange rates. Exchange rate fluctuations may affect the costs incurred in Hemlo's operations. Gold is sold in US dollars and costs are incurred principally in Canadian dollars. The appreciation of the Canadian dollar against the US dollar can increase the costs of gold production and capital expenditures in US dollar terms. Consequently, fluctuations in the USD exchange rate against these currencies increases the volatility of cost of sales, general and administrative costs, project costs and overall net earnings, when translated into USD. Hemlo does not currently use derivative instruments to reduce its exposure to currency risk, which has been immaterial to Hemlo, however, management monitors its differing currency needs and tries to reduce its exposure to currency risks exchanging currencies at what are considered to be optimal times.

b) Credit risk

Credit risk is the risk that a third party might fail to fulfill its performance obligations under the terms of a financial instrument. Credit risk arises from cash and accounts receivable. To mitigate the inherent exposure to credit risk on these financial assets, policies are in place to limit the concentration of credit

THE HEMLO MINE
Notes to the Combined Carve-Out Financial Statements
December 31, 2024
(Expressed in thousands of United States Dollars unless otherwise stated)

risk and counterparty creditworthiness. Hemlo invests its cash in highly rated financial institutions. Gold production is sold into the world market and to financial institutions and private customers with strong credit ratings. Historically, customer defaults have not had a significant impact on operating results or financial position.

Hemlo's maximum exposure to credit risk as at December 31, 2024 is the carrying value of each of the financial assets comprised of cash of \$4,947 (2023: \$8,955) and accounts receivable of \$652 (2023: \$654).

c) Liquidity risk

Liquidity risk is the risk of loss from not having access to sufficient funds to meet both expected and unexpected cash demands. Hemlo expects to discharge its commitments as they come due from its existing cash balances, cash flow from operations, collection of receivables and funding from BGI. Exposure to liquidity risk is managed by monitoring forecasted and actual cash flows. Operating cash flow is dependent on the ability of operations to deliver projected future cash flows. The market price of gold is the primary driver of operating cash flow.

The following tables outline the expected maturity of Hemlo's significant financial assets and liabilities into relevant maturity groupings based on the remaining period from the balance sheet date to the contractual maturity date. As the amounts presented in the table are the contractual undiscounted cash flows, these balances may not agree with the amounts disclosed in the combined carve-out statements of financial position.

	Less than 1 year	1 to 3 years	3 to 5 years	Over 5 years	Total
As at December 31, 2024					
Cash	\$ 4,947	\$ —	\$ —	\$ —	\$ 4,947
Accounts receivable	\$ 652	\$ —	\$ —	\$ —	\$ 652
Accounts payable	\$ 32,990	\$ —	\$ —	\$ —	\$ 32,990
Related party payables	\$ 10,608	\$ —	\$ —	\$ —	\$ 10,608
Lease liabilities	\$ 3,318	\$ 3,916	\$ 3,929	\$ —	\$ 11,163
As at December 31, 2023					
Cash	\$ 8,955	\$ —	\$ —	\$ —	\$ 8,955
Accounts receivable	\$ 654	\$ —	\$ —	\$ —	\$ 654
Accounts payable	\$ 32,080	\$ —	\$ —	\$ —	\$ 32,080
Related party payables	\$ 5,942	\$ —	\$ —	\$ —	\$ 5,942
Lease liabilities	\$ 3,750	\$ 1,722	\$ —	\$ —	\$ 5,472

d) Capital risk management

For the purposes of these combined carve-out financial statements, capital is defined as *Net parent investment*, which represents the cumulative net investment in Hemlo by its parent, BGI. Hemlo's objectives when managing its capital are to safeguard its ability to continue as a going concern and to

THE HEMLO MINE
Notes to the Combined Carve-Out Financial Statements
December 31, 2024
(Expressed in thousands of United States Dollars unless otherwise stated)

maximize the value for BGI. Hemlo's activities have been funded so far through operations and BGI's investment. There were no changes in these objectives, policies, or the processes used to manage capital during the years ended December 31, 2024 and 2023. Hemlo manages its capital structure and makes adjustments in light of changes in economic conditions. To maintain or adjust the capital structure, Hemlo may adjust distributions to BGI or request new funding from BGI. Hemlo has no financial covenants or capital requirements.

18. Fair value accounting

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value hierarchy establishes three levels to classify the inputs to valuation techniques used to measure fair value. The fair value hierarchy gives the highest priority to Level 1 inputs and the lowest priority to Level 3 inputs. Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities. Level 2 inputs are quoted prices in markets that are not active, quoted prices for similar assets or liabilities in active markets, inputs other than quoted prices that are observable for the asset or liability, or inputs that are derived principally from or corroborated by observable market data or other means. Level 3 inputs are unobservable (supported by little or no market activity).

The following table presents Hemlo's assets and liabilities measured at fair value on a recurring basis (at least annually) by level within the fair value hierarchy. As required by accounting guidance, the assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement.

	Fair value at December 31, 2024			
	Total	Level 1	Level 2	Level 3
Liabilities				
Stock-based payments	\$ 310	\$ —	\$ 310	\$ —
	<u>\$ 310</u>	<u>\$ —</u>	<u>\$ 310</u>	<u>\$ —</u>
	Fair value at December 31, 2023			
	Total	Level 1	Level 2	Level 3
Liabilities				
Stock-based payments	\$ 548	\$ —	\$ 548	\$ —
	<u>\$ 548</u>	<u>\$ —</u>	<u>\$ 548</u>	<u>\$ —</u>

At December 31, 2024 and 2023, there were no financial assets measured and recognized on the combined carve-out statements of financial position at fair value. The fair values of cash, accounts receivable, accounts payable, and related party payables reasonably approximate their carrying values in the combined carve-out statements of financial position because these financial instruments are short-term in nature.

Stock-based payments

Hemlo's stock-based compensation liabilities consist of cash-settled Barrick notional RSU share awards granted to the employees that are pegged to BMC shares which become payable in cash on the vesting date. These awards are valued each reporting period based on estimates for expected forfeiture rates and are quoted using Barrick's period-end closing market share price. As the awards themselves are not traded on the exchange, these liabilities are classified within Level 2 of the fair value hierarchy.

THE HEMLO MINE
Notes to the Combined Carve-Out Financial Statements
December 31, 2024
(Expressed in thousands of United States Dollars unless otherwise stated)

For the years ended December 31, 2024 and 2023, Hemlo recorded the following stock-based compensation costs and payments related to its RSU and BSPP plans:

	Year Ended December 31,	
	2024	2023
Barrick Share Purchase Plan costs	\$ 428	\$ 396
Restricted Share Units costs	485	676
Stock-based compensation costs	\$ 913	\$ 1,072
Barrick Share Purchase Plan payments	\$ (397)	\$ (376)
Restricted Share Units payments	(298)	(286)
Stock-based compensation payments	\$ (695)	\$ (662)

Assets measured at fair value on a non-recurring basis valuation techniques included in Levels 1 through 3 of the fair value hierarchy are PP&E and goodwill; of which, there were no write downs or impairments included in earnings for the year ended December 31, 2024 (2023: nil). RSU payables of \$310 (2023: \$548) are included in *Related party payables* due to BGNA; refer to Note 14.

19. Commitments and contingencies

Legal commitments

Hemlo encounters various lawsuits and claims in the normal course of business of which Hemlo may be a party to or have been asserted against. In general, these are not significant matters resulting in a liability. Most are not probable to determine with certainty what the cost or portion of costs may be, and management has no reason to believe that their disposition will have a materially adverse effect on the combined carve-out statements of financial position.

In general, estimated losses from contingencies are accrued by a charge to income when information available prior to issuance of the combined carve-out financial statements indicates that it is probable that a liability could be incurred, and the amount of the loss can be reasonably estimated. Legal expenses associated with the contingency are expensed as incurred. If a loss contingency is not probable or reasonably estimable, disclosure of the contingency and estimated range of loss, if determinable, is made in the combined carve-out financial statements when it is at least reasonably possible that a material loss could be incurred.

Community development commitments

In the normal course of business, Hemlo enters into contracts that give rise to commitments for future minimum payments. In addition to entering into various operational commitments, Hemlo had purchasing commitments related to community development programs of \$13,700 as at December 31, 2024. Future maturities of these community development commitments are as follows: 2025: \$700; 2026: \$1,300; 2027: \$1,000; 2028: \$1,000; 2029 and thereafter \$9,700.

Finance guarantees

As part of its ongoing business and operations, Hemlo is required to provide surety bonds and bank letters of credit as financial support for environmental remediation and reclamation. At December 31, 2024, there were \$64,120 of outstanding letters of credit and surety bonds. The obligations associated with these instruments are generally related to performance requirements that Hemlo addresses through its ongoing operations. As the specific requirements are met, the beneficiary of the associated instrument

THE HEMLO MINE
Notes to the Combined Carve-Out Financial Statements
December 31, 2024
(Expressed in thousands of United States Dollars unless otherwise stated)

cancel and/or return the instrument to the issuing entity. Generally, bonding requirements associated with environmental regulation are becoming more restrictive. However, Hemlo believes it is in compliance with all applicable bonding obligations and will be able to satisfy future bonding requirements through existing or alternative means, as they arise.

20. Events occurring after the reporting period

Management has evaluated events occurring through the date of issuance, and determined the following:

On May 9, 2025, BGI formed a new wholly-owned subsidiary named 1539041 B.C. Unlimited Liability Company ("BCULC"), incorporated under the laws of British Columbia. All of the issued and outstanding shares of BCULC are held by BGI.

In addition, on July 4, 2025, BCULC purchased mining rights of areas around The Hemlo Mine from a third party, Rocky Shore Gold LTD for total cash consideration of \$717.

On September 10, 2025, Barrick reached an agreement to sell Hemlo to Carcetti Capital Corp. ("Carcetti"), which is to be renamed Hemlo Mining Corp. ("HMC") upon closing of the transaction. The transaction is subject to the satisfaction of customary closing conditions and obtaining required regulatory approvals. In connection with the sale, a series of pre-closing reorganization transactions will occur in accordance with the Share Purchase Agreement (the "Agreement" or the "Transaction"), whereby, directly prior to closing, all assets and liabilities of Hemlo will be transferred to BCULC in exchange for 1,000,000 Class A preferred shares and 1,000,000 Class B common shares to be held by BGI, and 1,000,000 Class B preferred shares to be held by Pioneer Metals Unlimited Liability Company, a wholly-owned subsidiary of BGI, representing the total issued and outstanding shares of BCULC. HMC will then purchase the shares of BCULC for gross proceeds of up to \$1.09 billion, consisting of:

- Cash consideration of \$875 million, due on closing;
- HMC shares with an aggregate value of \$50 million (based on the share price per HMC subscription receipt under the concurrent equity offering announced by HMC, to be issued by HMC to Barrick on closing),
- A production and tiered gold price-linked cash payment structure of up to \$165 million starting January 1, 2027 for a five-year term ending December 31, 2031. Each year during such term, Carcetti shall make payments annually to Barrick based on three incremental pricing thresholds: threshold (1) 20.0% of incremental revenue per ounce of payable gold production at or above \$3,300/oz but less than \$3,500/oz; threshold (2) 22.5% of incremental revenue per ounce of payable gold production at or above \$3,500/oz but less than \$3,700/oz; and threshold (3) 25.0% of incremental revenue per ounce of payable gold production at or above \$3,700/oz. Cumulative contingent payments are capped at \$165 million.

As at November 21, 2025, this series of pre-closing reorganization transactions have not yet been finalized.

Effective October 9, 2025, WOCO entered into a community development agreement with one of the First Nations for CAD \$20,625; which was paid within the terms of the agreement.

Schedule B

Unaudited interim financial statements for the operations of the Hemlo Mine, prepared on a combined carve-out basis, for the three and nine month periods ended September 30, 2025 and 2024

(See attached)

THE HEMLO MINE

**Interim Condensed Combined Carve-Out Financial Statements
As at September 30, 2025 and for the three and nine months
then ended (Unaudited)**



THE HEMLO MINE
September 30, 2025
Table of Contents

	Page
Condensed Combined Carve-Out Financial Statements	
Condensed Combined Carve-Out Statements of Income and Comprehensive Income	3
Condensed Combined Carve-Out Statements of Cash Flows	4
Condensed Combined Carve-Out Statements of Financial Position	5
Condensed Combined Carve-Out Statements of Changes in Parent Investment	6
 Notes to the Condensed Combined Carve-Out Financial Statements	
1. General information	7
2. Material accounting policy information	7
3. Significant judgments and estimates	9
4. Revenue	10
5. Cost of sales	10
6. Finance costs	11
7. Income taxes	11
8. Cash flow other items	11
9. Inventories	12
10. Other current assets	13
11. Property, plant and equipment	13
12. Accounts payable	16
13. Lease liabilities	16
14. Related party transactions	17
15. Environmental rehabilitation provision	18
16. Other non-current liabilities	19
17. Financial risk management	20
18. Fair value accounting	22
19. Commitments and contingencies	24
20. Events occurring after the reporting period	24

THE HEMLO MINE

Condensed Combined Carve-Out Statements of Income and Comprehensive Income
(Unaudited, Expressed in thousands of United States Dollars unless otherwise stated)

	Note	Three Months Ended September 30,		Nine Months Ended September 30,	
		2025	2024	2025	2024
Revenue	4	\$ 103,713	\$ 73,184	\$ 325,120	\$ 244,189
Costs and expenses (income)					
Cost of sales	5	61,942	55,125	188,413	184,122
Exploration, evaluation and project expenses		28	42	141	86
Closed mine rehabilitation costs	15	315	62	(36)	(57)
(Gain) loss on currency translation		(805)	(570)	582	(112)
Other (income) expense		1,690	90	3,696	1,408
		<u>63,170</u>	<u>54,749</u>	<u>192,796</u>	<u>185,447</u>
Income before finance items and income taxes		40,543	18,435	132,324	58,742
Finance costs, net	6	(813)	(680)	(2,491)	(1,722)
Income before income taxes		39,730	17,755	129,833	57,020
Income tax expense	7	(13,420)	(5,448)	(43,854)	(17,498)
Net income and comprehensive income		\$ 26,310	\$ 12,307	\$ 85,979	\$ 39,522

The accompanying notes are an integral part of these condensed combined carve-out financial statements.

THE HEMLO MINE

Condensed Combined Carve-Out Statements of Cash Flows

(Unaudited, Expressed in thousands of United States Dollars unless otherwise stated)

	Note	Three Months Ended September 30,		Nine Months Ended September 30,	
		2025	2024	2025	2024
OPERATING ACTIVITIES					
Net income		\$ 26,310	\$ 12,307	\$ 85,979	\$ 39,522
Adjustments for the following items:					
Depreciation	5	7,479	8,721	27,765	27,086
Finance costs, net	6	813	680	2,491	1,722
Income tax expense	7	13,420	5,448	43,854	17,498
Other operating activities	8	282	(926)	1,352	162
Change in working capital	8	720	(1,574)	(8,961)	1,389
Operating cash flows before interest and income taxes		49,024	24,656	152,480	87,379
Interest paid	6	(283)	(255)	(875)	(484)
Interest received	6	38	25	69	69
Income taxes paid		—	—	(30,234)	(14,161)
Net cash provided by operating activities		48,779	24,426	121,440	72,803
INVESTING ACTIVITIES					
Capital expenditures	11	(15,157)	(11,415)	(32,298)	(30,008)
Proceeds on sale of property, plant and equipment		—	1,098	—	1,098
Purchase of intangible assets	1	(717)	—	(717)	—
Net cash used in investing activities		(15,874)	(10,317)	(33,015)	(28,910)
FINANCING ACTIVITIES					
Lease repayments	13	(387)	(776)	(1,132)	(2,624)
Net distributions to parent	14	(36,314)	(14,377)	(80,108)	(34,373)
Net cash used in financing activities		(36,701)	(15,153)	(81,240)	(36,997)
Net (decrease) increase in cash and cash equivalents		(3,796)	(1,044)	7,185	6,896
Cash and cash equivalents, beginning of period		15,928	16,895	4,947	8,955
Cash and cash equivalents, end of period		\$ 12,132	\$ 15,851	\$ 12,132	\$ 15,851

The accompanying notes are an integral part of these condensed combined carve-out financial statements.

THE HEMLO MINE
Condensed Combined Carve-Out Statements of Financial Position
(Unaudited, Expressed in thousands of United States Dollars unless otherwise stated)

	Note	As at September 30, 2025	As at December 31, 2024
ASSETS			
Current assets			
Cash		\$ 12,132	\$ 4,947
Accounts receivable		630	652
Inventories	9	17,562	17,193
Other current assets	10	5,330	4,571
Total current assets		35,654	27,363
Non-current assets			
Property, plant and equipment	11	390,715	384,340
Intangible assets	1	717	—
Goodwill		63,000	63,000
Total assets		\$ 490,086	\$ 474,703
LIABILITIES AND PARENT INVESTMENT			
Current liabilities			
Accounts payable	12	\$ 36,322	\$ 32,990
Lease liabilities	13	1,805	1,596
Related party payables	14	1,216	10,608
Current income tax liabilities		42,960	30,234
Other current liabilities		56	15
Total current liabilities		82,359	75,443
Non-current liabilities			
Lease liabilities	13	6,505	7,621
Environmental rehabilitation provision	15	55,795	52,960
Other non-current liabilities	16	177	194
Deferred income tax liabilities		76,428	75,534
Total liabilities		221,264	211,752
Parent investment			
Net parent investment		268,830	262,959
Accumulated other comprehensive income		(8)	(8)
Total parent investment		268,822	262,951
Total liabilities and parent investment		\$ 490,086	\$ 474,703

The accompanying notes are an integral part of these condensed combined carve-out financial statements.

THE HEMLO MINE**Condensed Combined Carve-Out Statements of Changes in Parent Investment****For the nine months ended September 30, 2025 and September 30, 2024***(Unaudited, Expressed in thousands of United States Dollars unless otherwise stated)*

	Note	Net parent investment	Accumulated other comprehensive income	Total parent investment
At January 1, 2025		\$ 262,959	\$ (8)	\$ 262,951
Net income		85,979	—	85,979
Net distributions to parent	14	(80,108)	—	(80,108)
At September 30, 2025		\$ 268,830	\$ (8)	\$ 268,822
At January 1, 2024		\$ 285,708	\$ (4)	\$ 285,704
Net income		39,522	—	39,522
Net distributions to parent	14	(34,373)	—	(34,373)
At September 30, 2024		\$ 290,857	\$ (4)	\$ 290,853

The accompanying notes are an integral part of these condensed combined carve-out financial statements.

THE HEMLO MINE

Notes to the Condensed Combined Carve-Out Financial Statements

September 30, 2025

(Unaudited, Expressed in thousands of United States Dollars unless otherwise stated)

1. General information

The Hemlo Mine ("Hemlo" or "The Hemlo Mine") is comprised of a collection of three mines and 1539041 B.C. Unlimited Liability Company (as defined below). The three Hemlo Mines include the Williams Mine, David Bell Mine and Golden Giant Mine. Hemlo is wholly-owned by Barrick Gold Inc. ("BGI"), a company incorporated in Ontario, Canada. Operations are managed by two wholly-owned corporations of BGI; Williams Operating Corporation ("WOCO") and DB Operating Corporation ("DB"). WOCO was incorporated in 1989 and DB was incorporated in 1984 and each are governed by the *Business Corporations Act (British Columbia)*. BGI's ultimate parent company is Barrick Mining Corporation ("BMC" or "Barrick"), a company incorporated in British Columbia.

The Hemlo Mine is located in Bomby Township, in northwestern Ontario, Canada, north of Lake Superior and east of the town of Marathon, Ontario. The Hemlo Mine consists of the Williams Mine and processing facility located at the western end of the property, the David Bell Mine located at the eastern end of the property, and the Golden Giant Mine in the central position. The David Bell Mine and Golden Giant Mine ceased production in 2014. They are closed and currently in progressive reclamation. Underground operations continue at the Williams Mine while the Open Pit operations ceased production in 2020, but are currently under evaluation to be mined in the future. Hemlo is principally engaged in the production and sale of gold and silver, as well as related activities including exploration, mine development, and processing.

On May 9, 2025, BGI formed a new wholly-owned subsidiary named 1539041 B.C. Unlimited Liability Company ("1539041 BCULC"), incorporated under the laws of British Columbia. All of the issued and outstanding shares of 1539041 BCULC are held by BGI. On September 10, 2025, Barrick reached an agreement to sell Hemlo to Carcetti Capital Corp. ("Carcetti"), which is to be renamed Hemlo Mining Corp. ("HMC") upon closing of the transaction. The transaction is expected to be completed within the fourth quarter of 2025 subject to the satisfaction of customary closing conditions and obtaining required regulatory approvals.

2. Material accounting policy information

A) Statement of Compliance

These Interim Condensed Combined Carve-Out Financial Statements ("interim statements") of Hemlo are unaudited and 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, under International Accounting Standard *IAS 34 Interim Financial Reporting*.

These interim condensed combined financial statements should be read in conjunction with The Hemlo Mine Combined Carve-Out Financial Statements for the year ended December 31, 2024 which were approved on November 21, 2025, which includes information necessary or useful to understanding Hemlo's business and financial statement presentation. In particular, Hemlo's material accounting policy information was presented in Note 2 of the Combined Carve-Out Financial Statements for the year ended December 31, 2024, and have been consistently applied in the preparation of these interim condensed combined carve-out financial statements. In the opinion of management, all adjustments (including normal recurring adjustments) and disclosures necessary for a fair presentation of these interim statements have been included. The results reported in these interim statements are not necessarily indicative of the results that may be reported for the entire year. These interim condensed combined carve-out financial statements were authorized for issuance by BGI's Board of Directors on November 21, 2025.

THE HEMLO MINE

Notes to the Condensed Combined Carve-Out Financial Statements

September 30, 2025

(Unaudited, Expressed in thousands of United States Dollars unless otherwise stated)

B) Basis of preparation

These condensed combined carve-out financial statements present the combined carve-out financial position, results of operations, and cash flows of The Hemlo Mine; which is comprised of the Williams Mine, David Bell Mine, Golden Giant Mine, WOCO, DB, BCULC and the Hemlo Transferred Assets; collectively referred to as the "Combining Entities." The Hemlo Transferred Assets means the specific assets that will be transferred to BCULC directly prior to closing the sale of Hemlo to Carcetti including a) all of the shares of WOCO and DB, b) all mining rights related to Hemlo that were not already held by BCULC, WOCO or DB and c) any contracts that relate exclusively to The Hemlo Mine and operations.

These condensed combined carve-out financial statements have been prepared as if Hemlo had operated as a single economic group during the reporting periods presented. The Hemlo Mine does not constitute a single legal group. Accordingly, these condensed combined carve-out financial statements have been prepared on a combined carve-out basis, which involves aggregating the financial information of the Combining Entities and eliminating intercompany transactions, income and expenses, and profit or losses. Comparative figures have been presented as if the Combining Entities had been combined for the entire comparative period.

The condensed combined carve-out financial statements include the assets, liabilities, revenues and expenses directly attributable to The Hemlo Mine, together with certain allocated amounts from Barrick and its subsidiaries related to the combined business. Allocations from Barrick and its subsidiaries include items such as shared services, centralized functions, or corporate overhead. Allocations were determined on a reasonable and consistent basis using metrics by management that reflect the cost of the combined business, such as headcounts, time, and production ounces. These costs are included in *Cost of sales* and *Other (income) expense* on the combined carve-out statements of income and comprehensive income; refer to Note 14.

The condensed combined carve-out financial statements reflect the historical results of The Hemlo Mine, which has been operated as a part of Barrick as a whole. In preparing the condensed combined carve-out financial statements in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS"), management has made estimates and assumptions that may differ significantly from actual results had The Hemlo Mine historically been operated as a separate company. As Hemlo did not operate as a stand-alone entity in the past, these condensed combined carve-out financial statements may not be indicative of Hemlo's future performance and do not necessarily reflect what its results of operations, financial position and cash flows would have been had Hemlo operated as a separate entity apart from Barrick during the periods presented.

These condensed combined carve-out financial statements have been prepared on a historical cost basis, except where explicitly stated in the accounting policy note disclosure. Hemlo's financial statements are presented in United States Dollars ("USD"), which is its functional and presentation currency. All values are rounded to the nearest thousands, except where otherwise noted.

Because Hemlo is not a stand-alone legal entity in the historical periods presented, *Net parent investment* is shown in lieu of shareholders' equity in these condensed combined carve-out financial statements. Net parent investment represents the cumulative net investment by BGI in Hemlo through that date. The impact of transactions between Hemlo and BGI that were historically settled in cash are also included in *Net parent investment*.

THE HEMLO MINE

Notes to the Condensed Combined Carve-Out Financial Statements

September 30, 2025

(Unaudited, Expressed in thousands of United States Dollars unless otherwise stated)

C) New accounting pronouncements issued but not yet effective

Certain new accounting standards and amendments have been published that are not mandatory.

- Amendments to the Classification and Measurement of Financial Instruments (IFRS 9 and IFRS 7) with mandatory application of the standard in annual reporting periods beginning on or after January 1, 2026.
- IFRS 18 Presentation and Disclosure in Financial Statements with mandatory application of the standard in annual reporting periods beginning on or after January 1, 2027.

Management is assessing the impact of the new standards and amendments on the condensed combined financial statements. No standards have been early adopted in the current period.

3. Significant judgments and estimates

The judgments, estimates, assumptions and risks discussed here reflect updates from The Hemlo Mine Combined Carve-Out Financial Statements for the year ended December 31, 2024. For judgments, estimates, assumptions and risks related to other areas not discussed in these interim condensed combined carve-out financial statements, please refer to Note 3 of The Hemlo Mine Combined Carve-Out Financial Statements for the year ended December 31, 2024.

Provisions for environmental rehabilitation

Provisions for environmental rehabilitation are updated each reporting period for changes to expected cash flows and for the effect of changes in the discount rate and foreign exchange rates. The change in estimate is added or deducted from the related asset and depreciated over the expected economic life of the operation to which it relates. In the case of closed sites, changes in estimates and assumptions are recognized immediately in the condensed combined carve-out statements of income.

Adjustments to the estimated amount and timing of future closure and rehabilitation cash flows are a normal occurrence in light of the significant judgments and estimates involved. Rehabilitation provisions are adjusted as a result of changes in estimates and assumptions and are accounted for prospectively. In the fourth quarter of each year, our life of mine plans are updated and that typically results in an update to the rehabilitation provision.

For the nine months ended September 30, 2025, we recorded a net increase to the PER of \$2,835 (2024: \$329 net decrease) for revisions primarily related to accretion, updates to discount rates and updates to estimated changes in future closure and rehabilitation cash flows; refer to Note 15.

Contingencies

Contingencies can be either possible assets or possible liabilities arising from past events which, by their nature, will be resolved only when one or more future events, not wholly within our control, occur or fail to occur. The assessment of such contingencies inherently involves the exercise of significant judgment and estimates of the outcome of future events. Refer to Note 19 for further details on contingencies.

THE HEMLO MINE

Notes to the Condensed Combined Carve-Out Financial Statements

September 30, 2025

(Unaudited, Expressed in thousands of United States Dollars unless otherwise stated)

4. Revenue

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Gold sales	\$ 103,385	\$ 72,903	\$ 324,016	\$ 243,267
Silver sales	328	281	1,104	922
Total	\$ 103,713	\$ 73,184	\$ 325,120	\$ 244,189
<i>Gold sales</i>				
Gold bullion sales	\$ 100,431	\$ 72,769	\$ 317,906	\$ 239,779
Gold by-product sales	2,954	134	6,110	3,488
Total	\$ 103,385	\$ 72,903	\$ 324,016	\$ 243,267
<i>Silver sales</i>				
Silver bullion sales	\$ 324	\$ 279	\$ 1,088	\$ 912
Silver by-product sales	4	2	16	10
Total	\$ 328	\$ 281	\$ 1,104	\$ 922

For the three and nine months ended September 30, 2025, Hemlo has one customer that accounts for 97% (2024: 99%) for the three months ended and 98% (2024: 99%) for the nine months ended of its total revenue. However, because gold can be sold through numerous gold market traders worldwide (including a large number of financial institutions), Hemlo is not economically dependent on this one customer for the sale of its bullion.

5. Cost of sales

Note	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Site operating cost				
Mining costs ¹	\$ 41,877	\$ 43,054	\$ 129,198	\$ 136,677
Net charge to (reduction to) Cost of Sales for cash changes in inventory	9 3,122	(1,532)	(372)	2,308
	44,999	41,522	128,826	138,985
Depreciation				
Depreciation and amortization	11 5,909	9,090	26,625	27,201
Net (reduction to) Cost of Sales for non-cash changes in inventory	9 1,570	(369)	1,140	(115)
	7,479	8,721	27,765	27,086
Royalty expense	8,780	4,199	30,195	14,402
Community relations	684	683	1,627	3,649
Total	\$ 61,942	\$ 55,125	\$ 188,413	\$ 184,122

¹ For the three months ended September 30, 2025, mining costs include smelting and refining charges of \$150 (2024: \$138) and employee costs of \$8,870 (2024: \$8,083). For the nine months ended September

THE HEMLO MINE
Notes to the Condensed Combined Carve-Out Financial Statements
September 30, 2025
(Unaudited, Expressed in thousands of United States Dollars unless otherwise stated)

30, 2025, mining costs include smelting and refining charges of \$452 (2024: \$472) and employee costs of \$26,206 (2024: \$25,325).

6. Finance costs

	Note	Three Months Ended September 30,		Nine Months Ended September 30,	
		2025	2024	2025	2024
Interest on lease liabilities		\$ 238	\$ 207	\$ 740	\$ 345
Interest expense		45	48	135	139
Finance income		(38)	(25)	(69)	(69)
Accretion	15	568	450	1,685	1,307
Total		\$ 813	\$ 680	\$ 2,491	\$ 1,722

For the three months ended September 30, 2025, Hemlo made cash interest payments of \$283 (2024: \$255). For the nine months ended September 30, 2025, Hemlo made cash interest payments of \$875 (2024: \$484).

7. Income taxes

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Current income tax expense	\$ 13,147	\$ 6,075	\$ 42,960	\$ 19,512
Deferred income tax expense (recovery)	273	(627)	894	(2,014)
Income tax expense	\$ 13,420	\$ 5,448	\$ 43,854	\$ 17,498

8. Cash flow other items

	Note	Three Months Ended September 30,		Nine Months Ended September 30,	
		2025	2024	2025	2024
Other operating activities					
Foreign currency translation losses		\$ (805)	\$ (570)	\$ 582	\$ (112)
Closed mine rehabilitation costs	15	312	59	(36)	(57)
Stock-based compensation expense	18	770	281	1,623	856
Stock-based compensation payments	18	(145)	(107)	(633)	(563)
Other operating activities adjustments		150	(589)	(184)	38
Total		\$ 282	\$ (926)	\$ 1,352	\$ 162

THE HEMLO MINE

Notes to the Condensed Combined Carve-Out Financial Statements

September 30, 2025

(Unaudited, Expressed in thousands of United States Dollars unless otherwise stated)

	Note	Three Months Ended September 30,		Nine Months Ended September 30,	
		2025	2024	2025	2024
Change in working capital					
Accounts receivable		\$ 16	\$ 1,184	\$ 31	\$ (4)
Inventories ¹		2,369	(2,221)	(1,509)	1,473
Other current assets		(1,059)	(2,162)	(654)	(490)
Accounts payable		(1,346)	694	2,373	(2,817)
Related party payables		738	970	(9,243)	3,231
Other current liabilities		2	(39)	41	(4)
Total		\$ 720	\$ (1,574)	\$ (8,961)	\$ 1,389

Change in working capital excludes activity related to the following non-cash items:

	Note	Three Months Ended September 30,		Nine Months Ended September 30,	
		2025	2024	2025	2024
¹ Inventories changes for depreciation	9	\$ (1,570)	\$ 369	\$ (1,140)	\$ 115

9. Inventories

	As at	
	September 30, 2025	December 31, 2024
Work in process	\$ 7,573	\$ 5,543
Finished products	—	2,798
Supplies inventory	9,989	8,852
Total	\$ 17,562	\$ 17,193

	Note	Nine Months Ended September 30,	
		2025	2024
Impact to <i>Cost of Sales</i> for changes in inventory:			
Net (reduction to) charge to Cost of Sales and corresponding (increase to) reduction to inventory for cash changes in inventory	5	\$ (372)	\$ 2,308
Net charge to (reduction to) Cost of Sales and corresponding reduction to (increase to) inventory for non-cash changes in inventory	5	1,140	(115)
Net charge to Cost of Sales and corresponding reduction to Inventory		\$ 768	\$ 2,193

THE HEMLO MINE

Notes to the Condensed Combined Carve-Out Financial Statements

September 30, 2025

(Unaudited, Expressed in thousands of United States Dollars unless otherwise stated)

	Note	Three Months Ended September 30,	
		2025	2024
Impact to <i>Cost of Sales</i> for changes in inventory:			
Net charge to (reduction to) <i>Cost of Sales</i> and corresponding (increase to) reduction to inventory for cash changes in inventory	5	\$ 3,122	\$ (1,532)
Net charge to (reduction to) <i>Cost of Sales</i> and corresponding reduction to (increase to) inventory for non-cash changes in inventory	5	1,570	(369)
Net charge to <i>Cost of Sales</i> and corresponding reduction to (increase to) inventory		<u>\$ 4,692</u>	<u>\$ (1,901)</u>

10. Other current assets

	As at September 30, 2025	As at December 31, 2024
Canadian sales taxes recoverable	\$ 2,834	\$ 3,731
Prepaid expenses	2,496	840
Total	<u>\$ 5,330</u>	<u>\$ 4,571</u>

11. Property, plant and equipment

	Buildings, plant and equipment	Mining property costs subject to depreciation	Mining property costs not subject to depreciation	Total
At January 1, 2025				
Net of accumulated depreciation	\$ 165,694	\$ 188,103	\$ 30,543	\$ 384,340
Additions	—	1,064	32,646	33,710
Disposals - cost	(1,088)	—	—	(1,088)
Disposals - depreciation	378	—	—	378
Transfers	2,717	16,455	(19,172)	—
Depreciation and amortization	(14,159)	(12,466)	—	(26,625)
At September 30, 2025	<u>\$ 153,542</u>	<u>\$ 193,156</u>	<u>\$ 44,017</u>	<u>\$ 390,715</u>
At September 30, 2025				
Cost	\$ 701,525	\$ 884,347	\$ 44,017	\$ 1,629,889
Accumulated depreciation	(547,983)	(691,191)	—	(1,239,174)
At September 30, 2025	<u>\$ 153,542</u>	<u>\$ 193,156</u>	<u>\$ 44,017</u>	<u>\$ 390,715</u>

THE HEMLO MINE

Notes to the Condensed Combined Carve-Out Financial Statements

September 30, 2025

(Unaudited, Expressed in thousands of United States Dollars unless otherwise stated)

	<u>Buildings, plant and equipment</u>	<u>Mining property costs subject to depreciation</u>	<u>Mining property costs not subject to depreciation</u>	<u>Total</u>
At January 1, 2024				
Net of accumulated depreciation	\$ 146,506	\$ 183,554	\$ 42,798	\$ 372,858
Additions	10,116	4,308	38,528	52,952
Disposals - cost	(15,776)	—	—	(15,776)
Disposals - depreciation	11,481	—	—	11,481
Transfers	33,453	17,330	(50,783)	—
Depreciation and amortization	(20,086)	(17,089)	—	(37,175)
At December 31, 2024	<u>\$ 165,694</u>	<u>\$ 188,103</u>	<u>\$ 30,543</u>	<u>\$ 384,340</u>
At December 31, 2024				
Cost	\$ 699,896	\$ 866,828	\$ 30,543	\$ 1,597,267
Accumulated depreciation	(534,202)	(678,725)	—	(1,212,927)
At December 31, 2024	<u>\$ 165,694</u>	<u>\$ 188,103</u>	<u>\$ 30,543</u>	<u>\$ 384,340</u>

Right-of-use assets included in Buildings, plant and equipment and Mining property costs subject to depreciation are comprised of the following:

As at September 30, 2025	<u>Cost</u>	<u>Accumulated depreciation</u>	<u>Net book value</u>
Right-of-use assets included in Buildings, plant and equipment	<u>\$ 10,117</u>	<u>\$ (2,318)</u>	<u>\$ 7,799</u>
Mining property costs subject to depreciation are comprised of the following:			
Asset retirement costs	73,508	(65,528)	7,980
Acquired mineral reserves and resources and capitalized exploration and evaluation costs	136,410	(137,641)	(1,231)
Capitalized mine development costs	674,429	(488,022)	186,407
Total	<u>\$ 884,347</u>	<u>\$ (691,191)</u>	<u>\$ 193,156</u>

THE HEMLO MINE

Notes to the Condensed Combined Carve-Out Financial Statements

September 30, 2025

(Unaudited, Expressed in thousands of United States Dollars unless otherwise stated)

As at December 31, 2024	Cost	Accumulated depreciation	Net book value
Right-of-use assets included in Buildings, plant and equipment	<u>\$ 11,204</u>	<u>\$ (1,221)</u>	<u>\$ 9,983</u>
Mining property costs subject to depreciation are comprised of the following:			
Asset retirement costs	72,444	(65,153)	7,291
Acquired mineral reserves and resources and capitalized exploration and evaluation costs	136,410	(137,708)	(1,298)
Capitalized mine development costs	657,974	(475,864)	182,110
Total	<u>\$ 866,828</u>	<u>\$ (678,725)</u>	<u>\$ 188,103</u>

Mining property costs not subject to depreciation is comprised of the following:

	Carrying amount at September 30, 2025	Carrying amount at December 31, 2024
Construction-in-progress	\$ 21,504	\$ 11,528
Land - Cost	101	101
Acquired mineral resources and exploration potential	7,703	7,641
Capitalized mine development projects	14,709	11,273
Total	<u>\$ 44,017</u>	<u>\$ 30,543</u>

Reconciliation of cash capital expenditures:

	Nine Months Ended September 30,	
	2025	2024
PP&E cost additions	\$ 33,710	\$ 39,157
Less: capitalized right-of-use assets lease arrangements	—	(10,117)
Less: capitalized asset retirement costs for changes in estimates and discount rates	498	693
Less: other	(1,910)	275
Total	<u>\$ 32,298</u>	<u>\$ 30,008</u>

Other Property, plant and equipment disclosures:

	Nine Months Ended September 30,	
	2025	2024
Right-of-use assets depreciation expense	\$ 1,475	\$ 2,363

THE HEMLO MINE**Notes to the Condensed Combined Carve-Out Financial Statements****September 30, 2025***(Unaudited, Expressed in thousands of United States Dollars unless otherwise stated)***12. Accounts payable**

	As at	As at
	September 30, 2025	December 31, 2024
Accounts payable	\$ 11,739	\$ 10,147
Accruals	20,797	19,612
Payroll accruals	3,786	3,231
Total	\$ 36,322	\$ 32,990

13. Lease liabilities

	As at	As at
	September 30, 2025	December 31, 2024
Lease liabilities - current	\$ 1,805	\$ 1,596
Lease liabilities - non-current	6,505	7,621
Total	\$ 8,310	\$ 9,217

Hemlo leases certain assets, such as equipment and buildings. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. Included in net income for the nine months ended September 30, 2025 are short-term payments not included in the measurement of lease liabilities of \$433 (2024: \$571). Hemlo's leases expire at various dates through 2029. Future minimum annual lease payments are \$645 in 2025, \$1,824 in 2026, \$2,092 in 2027, \$2,390 in 2028 and \$1,539 in 2029, totaling \$8,491. The future minimum annual lease payments are based on contractual undiscounted cash flows and may not agree with the amounts disclosed in the condensed combined carve-out statements of financial position.

Lease liabilities	Note	2025	2024
As at January 1		\$ 9,217	\$ 5,070
Capitalized right-of-use leases	11	—	10,117
Repayments		(1,132)	(2,624)
Lease retirements		—	(2,688)
Loss on currency translation		225	4
As at September 30		\$ 8,310	\$ 9,879

THE HEMLO MINE

Notes to the Condensed Combined Carve-Out Financial Statements

September 30, 2025

(Unaudited, Expressed in thousands of United States Dollars unless otherwise stated)

14. Related party transactions

Hemlo had the following significant related party transactions:

			Three Months Ended September 30,		Nine Months Ended September 30,	
Related party	Nature of relationship	Description of transaction	2025	2024	2025	2024
BGNA ¹	Subsidiary of BMC	Management services included in <i>Cost of Sales</i>	\$ 817	\$ 786	\$ 2,048	\$ 2,117
BMC ²	Ultimate parent	Management services included in <i>Other (income) expense</i>	\$ 656	\$ 316	\$ 1,361	\$ 802
Aurum Insurance Company Inc. ³	Subsidiary of BMC	Excess property insurance costs	\$ 201	\$ 183	\$ 603	\$ 580
BGI ⁴	Parent	Net distributions to parent	\$ (36,314)	\$ (63,992)	\$ (80,108)	\$ (34,373)

¹ Management service charges from BGNA include the following services: ERP systems and services, government affairs, IT, supply chain, Barrick's North America regional leadership team, land services, legal services, tax services, long-term incentive /stock compensation, and office services. Management services from BGNA are included in *Cost of sales* on the condensed combined carve-out statements of income.

² Management service charges from Barrick's corporate offices in Toronto include the following services: corporate investor relations and communications, accounting services, business planning, tax, treasury, secretarial services, strategic matters, corporate social responsibility, closure services, assurance and audit services, ERP systems and services, and operations support services. Management services from Barrick's corporate offices are included in *Other (income) expense* on the condensed combined carve-out statements of income.

³ Coverage for excess property insurance is administered through Barrick's captive insurance entity, ABX Insurance Inc., but reinsured by a panel of third-party insurers.

⁴ Cash pooling - Hemlo utilizes Barrick's centralized processes and systems for cash management. As a result, substantially all cash received related to the sale of Hemlo's gold is deposited and commingled with BGI's general funds. Hemlo does not have the legal right to deposit or withdraw funds autonomously from BGI's general funds. In order to fund operations, Hemlo receives cash contributions from BGI deposited to its operating accounts. The total net effect of the settlement of these transactions is reflected in the condensed combined carve-out statements of cash flows as a financing activity and in the condensed combined carve-out statements of changes in parent investment as *Net distributions to parent*.

THE HEMLO MINE**Notes to the Condensed Combined Carve-Out Financial Statements****September 30, 2025***(Unaudited, Expressed in thousands of United States Dollars unless otherwise stated)*

Net distributions to parent is comprised of the following:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Cash pooling and general activities	\$ (218,234)	\$ (167,630)	\$ (318,982)	\$ (240,685)
Cash contributions from parent	174,440	147,634	238,874	206,312
Net decrease in parent company investment	<u>\$ (43,794)</u>	<u>\$ (19,996)</u>	<u>\$ (80,108)</u>	<u>\$ (34,373)</u>

Net parent investment

Net parent investment represents the cumulative net investment by BGI in Hemlo to date, which is comprised of *Net income* and *Net distributions to parent*. On July 4, 2025, 1539041 BCULC purchased mining rights of areas around The Hemlo Mine from a third party, Rocky Shore Gold LTD for total cash consideration of \$717, which is included in *Intangible assets* on the condensed combined carve-out statements of financial position.

Related party payables

Hemlo had the following related party balances classified as current payables, which are unsecured and payable on demand:

	As at	As at
	September 30, 2025	December 31, 2024
Barrick Mining Corporation	\$ 453	\$ 2,541
Barrick Gold of North America Inc.	763	7,897
Other	—	170
Total	<u>\$ 1,216</u>	<u>\$ 10,608</u>

BGNA payables of \$763 (2024: \$7,897) includes RSU payables of nil (2024: \$310) (Note 18).

15. Environmental rehabilitation provision

As at September 30, 2025, environmental rehabilitation provisions ("PER") are comprised of non-current liabilities of \$55,795 (2024: \$52,960) and balances included in current liabilities of nil (2024: nil). The eventual settlement of all PERs is estimated to take place between 2027 and 2064. Rehabilitation provisions are measured at the expected value of future cash flows, which exclude the effect of inflation, discounted to their present value using a current Canadian dollar ("CAD") real risk-free pre-tax discount rate 1.61% (as at September 30, 2024: 1.55%). A 1% increase in the discount rate would result in a decrease in the PER by \$5,219 and a 1% decrease in the discount rate would result in an increase in the PER by \$6,669, while holding all other assumptions constant.

THE HEMLO MINE

Notes to the Condensed Combined Carve-Out Financial Statements

September 30, 2025

(Unaudited, Expressed in thousands of United States Dollars unless otherwise stated)

Closed mine rehabilitation costs	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Change in discount rate at closed properties	\$ 315	\$ 62	\$ (36)	\$ (57)
Total	\$ 315	\$ 62	\$ (36)	\$ (57)

Environmental rehabilitation	Note	Nine Months Ended September 30,	
		2025	2024
As at January 1		\$ 52,960	\$ 47,279
Closed mine rehabilitation costs		(36)	(57)
PER revisions in the period	11	(498)	(693)
Accretion	6	1,685	1,307
(Gain) loss on currency translation		1,684	(886)
As at September 30		\$ 55,795	\$ 46,950

16. Other non-current liabilities

Non-pension post-retirement benefit plan

Other non-current liabilities as at September 30, 2025, are comprised of a non-pension post-retirement benefit plan liability of \$177 (December 31, 2024: \$194). Benefits included in the plan are health care, vision care, dental care and life insurance provided to retirees from age 65 to age 70. Active employees are only eligible to receive these benefits if they retire with a minimum age of 65 and with a minimum of 10 years of service. The plan also includes retirees who have grandfathered coverage for their lifetime rather than ending at age 70. Pension costs are determined annually by independent actuaries. As the plan is unqualified, the plan is unfunded resulting in plan assets of nil. Benefits payable under the plan are provided for by Hemlo directly to the benefit service providers to meet its liabilities under the plan. Responsibility for governance of the plan lies with Hemlo. To assist with the management of the plan, Hemlo has also appointed experienced independent professional experts such as actuaries and custodians.

The table below provides a reconciliation of changes in the plans' defined benefit obligation for the nine months ended September 30:

	Nine Months Ended September 30,	
	2025	2024
Benefit obligation as at January 1	\$ 194	\$ 209
(Gain) loss on currency translation	(5)	2
Interest cost	5	5
Service cost	11	11
Benefit payments	(28)	(28)
Benefit obligation at September 30	\$ 177	\$ 199

THE HEMLO MINE

Notes to the Condensed Combined Carve-Out Financial Statements

September 30, 2025

(Unaudited, Expressed in thousands of United States Dollars unless otherwise stated)

For the three and nine months ended September 30, 2025 and 2024, foreign currency translation charges, interest cost, and service cost are included within *Other (income) expense*. Actuarial gains and losses are included within *Other comprehensive income*.

Defined contribution pension plan

Hemlo provides a defined contribution pension plan ("DCPP"), whereby Hemlo makes a cash contribution of 12% of an employee's base earnings, defined as an employee's regular salary or regular scheduled hours worked multiplied by their hourly rate of pay. Contributions made by Hemlo are immediately vested 100% to the employee's account. Salaried full-time employees are eligible to participate in the plan once they have completed three months of continuous employment; hourly full-time employees are eligible after one year of continuous employment. Part-time employees, both salaried and hourly, are eligible to participate after two years of service, have earned a minimum of 35% of the year's maximum pensionable earnings and worked a minimum of 700 hours in each of the two consecutive calendar years prior to joining the plan. Employees may make voluntary contributions to the plan as long as the total contributions to their individual account do not exceed the limits specified under the *Income Tax Act of Canada*.

Contributions made by Hemlo to the DCPP are expensed in the year they are earned by the employee and recorded to the same expense category as the recipient's payroll costs on the condensed combined carve-out statements of income. Contributions expense related to the DCPP for the three months ended September 30, 2025 was \$415 (2024: \$428). Contributions expense related to the DCPP for the nine months ended September 30, 2025 was \$1,326 (2024: \$1,315).

17. Financial risk management

Hemlo's financial instruments are comprised of financial liabilities and financial assets. Financial liabilities are comprised of accounts payable and leases. The main purpose of these financial instruments is to manage short-term cash flow and raise funds for capital expenditures. Financial assets are cash and accounts receivable, which arise directly from operations. Exposure to key financial risks is managed in accordance with Hemlo's financial risk management policy. The objective of the policy is to support the delivery of financial targets while protecting future financial security. The main risks that could adversely affect Hemlo's financial assets, liabilities or future cash flows are as follows:

- a. Market risk, including commodity price risk and foreign currency;
- b. Credit risk;
- c. Liquidity risk; and
- d. Capital risk management.

The following describes the types of financial instrument risk to which Hemlo is exposed and its objectives and policies for managing those risk exposures:

a) Market risk

Market risk is the risk that changes in market factors, such as commodity prices, foreign exchange rates or interest rates, will affect the value of financial instruments.

Commodity price risk

Gold production is sold in the world market. The market price of gold is the primary driver of profitability and the ability to generate both operating and free cash flow. Profitability depends on sales prices for gold. Metal prices are affected by numerous factors such as interest rates, exchange rates, inflation or

THE HEMLO MINE

Notes to the Condensed Combined Carve-Out Financial Statements

September 30, 2025

(Unaudited, Expressed in thousands of United States Dollars unless otherwise stated)

deflation, fluctuations in the US dollar and foreign currencies, global and regional supply and demand, and political and economic conditions.

Fuel prices

Diesel fuel and natural gas are consumed to run operations. Diesel fuel is refined from crude oil and is therefore subject to the same price volatility affecting crude oil prices. Therefore, volatility in crude oil and natural gas prices have a direct and indirect impact on production costs.

Foreign currency risk

Foreign currency risk is the risk that the fair values or future cash flows of Hemlo's financial instruments will fluctuate because of changes in foreign currency exchange rates. Exchange rate fluctuations may affect the costs incurred in Hemlo's operations. Gold is sold in US dollars and costs are incurred principally in Canadian dollars. The appreciation of the Canadian dollar against the US dollar can increase the costs of gold production and capital expenditures in US dollar terms. Consequently, fluctuations in the USD exchange rate against these currencies increases the volatility of cost of sales, general and administrative costs, project costs and overall net earnings, when translated into USD. Hemlo does not currently use derivative instruments to reduce its exposure to currency risk which has been immaterial to Hemlo, however, management monitors its differing currency needs and tries to reduce its exposure to currency risks exchanging currencies at what are considered to be optimal times.

b) Credit risk

Credit risk is the risk that a third party might fail to fulfill its performance obligations under the terms of a financial instrument. Credit risk arises from cash and accounts receivable. To mitigate the inherent exposure to credit risk on these financial assets, policies are in place to limit the concentration of credit risk and counterparty creditworthiness. Hemlo invests its cash in highly rated financial institutions. Gold production is sold into the world market and to financial institutions and private customers with strong credit ratings. Historically, customer defaults have not had a significant impact on operating results or financial position.

Hemlo's maximum exposure to credit risk as at September 30, 2025 is the carrying value of each of the financial assets comprised of cash of \$12,132 (2024: \$4,947) and accounts receivable of \$630 (2024: \$652).

c) Liquidity risk

Liquidity risk is the risk of loss from not having access to sufficient funds to meet both expected and unexpected cash demands. Hemlo expects to discharge its commitments as they come due from its existing cash balances, cash flow from operations, collection of receivables and funding from BGI. Exposure to liquidity risk is managed by monitoring forecasted and actual cash flows. Operating cash flow is dependent on the ability of operations to deliver projected future cash flows. The market price of gold is the primary driver of operating cash flow.

The following tables outline the expected maturity of Hemlo's significant financial assets and liabilities into relevant maturity groupings based on the remaining period from the balance sheet date to the contractual maturity date. As the amounts presented in the table are the contractual undiscounted cash flows, these balances may not agree with the amounts disclosed in the condensed combined carve-out statements of financial position.

THE HEMLO MINE**Notes to the Condensed Combined Carve-Out Financial Statements****September 30, 2025***(Unaudited, Expressed in thousands of United States Dollars unless otherwise stated)*

	Less than 1 year	1 to 3 years	3 to 5 years	Over 5 years	Total
As at September 30, 2025					
Cash	\$ 12,132	\$ —	\$ —	\$ —	12,132
Accounts receivable	\$ 630	\$ —	\$ —	\$ —	630
Accounts payable	\$ 36,322	\$ —	\$ —	\$ —	36,322
Related party payables	\$ 1,216	\$ —	\$ —	\$ —	1,216
Lease liabilities	\$ 1,805	\$ 4,335	\$ 2,169	\$ —	8,309

	Less than 1 year	1 to 3 years	3 to 5 years	Over 5 years	Total
As at December 31, 2024					
Cash	\$ 4,947	\$ —	\$ —	\$ —	4,947
Accounts receivable	\$ 652	\$ —	\$ —	\$ —	652
Accounts payable	\$ 32,990	\$ —	\$ —	\$ —	32,990
Related party payables	\$ 10,608	\$ —	\$ —	\$ —	10,608
Lease liabilities	\$ 3,318	\$ 3,916	\$ 3,929	\$ —	11,163

d) Capital risk management

For the purposes of these condensed combined carve-out financial statements, capital is defined as *Net parent investment*, which represents the cumulative net investment in Hemlo by its parent, BGI. Hemlo's objectives when managing its capital are to safeguard its ability to continue as a going concern and to maximize the value for BGI. Hemlo's activities have been funded so far through operations and BGI's investment. There were no changes in these objectives, policies, or the processes used to manage capital during the periods presented in these condensed combined carve-out financial statements. Hemlo manages its capital structure and makes adjustments in light of changes in economic conditions. To maintain or adjust the capital structure, Hemlo may adjust distributions to BGI or request new funding from BGI. Hemlo has no financial covenants or capital requirements.

18. Fair value accounting

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value hierarchy establishes three levels to classify the inputs to valuation techniques used to measure fair value. The fair value hierarchy gives the highest priority to Level 1 inputs and the lowest priority to Level 3 inputs. Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities. Level 2 inputs are quoted prices in markets that are not active, quoted prices for similar assets or liabilities in active markets, inputs other than quoted prices that are observable for the asset or liability, or inputs that are derived principally from or corroborated by observable market data or other means. Level 3 inputs are unobservable (supported by little or no market activity).

THE HEMLO MINE

Notes to the Condensed Combined Carve-Out Financial Statements

September 30, 2025

(Unaudited, Expressed in thousands of United States Dollars unless otherwise stated)

The following tables present Hemlo's assets and liabilities measured at fair value on a recurring basis by level within the fair value hierarchy. As required by accounting guidance, the assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement.

	Fair value at September 30, 2025			
	Total	Level 1	Level 2	Level 3
Liabilities				
Stock-based payments	\$ —	\$ —	\$ —	\$ —
	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>
	Fair value at December 31, 2024			
	Total	Level 1	Level 2	Level 3
Liabilities				
Stock-based payments	\$ 310	\$ —	\$ 310	\$ —
	<u>\$ 310</u>	<u>\$ —</u>	<u>\$ 310</u>	<u>\$ —</u>

At September 30, 2025 and December 31, 2024, there were no financial assets measured and recognized on the condensed combined carve-out statements of financial position at fair value. The fair values of cash, accounts receivable, accounts payable, and related party payables reasonably approximate their carrying values in the condensed combined carve-out statements of financial position because these financial instruments are short-term in nature.

Stock-based payments

Hemlo's stock-based compensation liabilities consist of cash-settled Barrick notional RSU share awards granted to the employees that are pegged to BMC shares which become payable in cash on the vesting date. These awards are valued each reporting period based on estimates for expected forfeiture rates and are quoted using Barrick's period-end closing market share price. As the awards themselves are not traded on the exchange, these liabilities are classified within Level 2 of the fair value hierarchy.

Hemlo recorded the following stock-based compensation costs and payments related to its RSU and BSPP plans:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Barrick Share Purchase Plan costs	\$ 115	\$ 102	\$ 419	\$ 361
Restricted Share Units costs	655	179	1,204	495
Stock-based compensation costs	<u>\$ 770</u>	<u>\$ 281</u>	<u>\$ 1,623</u>	<u>\$ 856</u>
Barrick Share Purchase Plan payments	\$ (110)	\$ (99)	\$ (396)	\$ (342)
Restricted Share Units payments	(35)	(8)	(237)	(221)
Stock-based compensation payments	<u>\$ (145)</u>	<u>\$ (107)</u>	<u>\$ (633)</u>	<u>\$ (563)</u>

THE HEMLO MINE

Notes to the Condensed Combined Carve-Out Financial Statements

September 30, 2025

(Unaudited, Expressed in thousands of United States Dollars unless otherwise stated)

Assets measured at fair value on a non-recurring basis valuation techniques included in Levels 1 through 3 of the fair value hierarchy are PP&E and goodwill; of which, there were no write downs or impairments included in earnings for the nine months ended September 30, 2025 (2024: nil). RSU payables of nil (2024: \$310) are included in *Related party payables* due to BGNA; refer to Note 14.

19. Commitments and contingencies

Legal commitments

Hemlo encounters various lawsuits and claims in the normal course of business of which Hemlo may be a party to or have been asserted against. In general, these are not significant matters resulting in a liability. Most are not probable to determine with certainty what the cost or portion of costs may be, and management has no reason to believe that their disposition will have a materially adverse effect on the condensed combined carve-out statements of financial position.

In general, estimated losses from contingencies are accrued by a charge to income when information available prior to issuance of the condensed combined carve-out financial statements indicates that it is probable that a liability could be incurred, and the amount of the loss can be reasonably estimated. Legal expenses associated with the contingency are expensed as incurred. If a loss contingency is not probable or reasonably estimable, disclosure of the contingency and estimated range of loss, if determinable, is made in the condensed combined carve-out financial statements when it is at least reasonably possible that a material loss could be incurred.

Community development commitments

In the normal course of business, Hemlo enters into contracts that give rise to commitments for future minimum payments. In addition to entering into various operational commitments, Hemlo had purchasing commitments related to community development programs of \$13,700 for the nine months ended September 30, 2025. Future maturities of these community development commitments are as follows: 2025: \$700; 2026: \$1,300; 2027: \$1,000; 2028: \$1,000; 2029 and thereafter \$9,700.

Finance guarantees

As part of its ongoing business and operations, Hemlo is required to provide surety bonds and bank letters of credit as financial support for environmental remediation and reclamation. At September 30, 2025, there were \$66,270 of outstanding letters of credit and surety bonds. The obligations associated with these instruments are generally related to performance requirements that Hemlo addresses through its ongoing operations. As the specific requirements are met, the beneficiary of the associated instrument cancels and/or returns the instrument to the issuing entity. Generally, bonding requirements associated with environmental regulation are becoming more restrictive. However, Hemlo believes it is in compliance with all applicable bonding obligations and will be able to satisfy future bonding requirements through existing or alternative means, as they arise.

20. Events occurring after the reporting period

Management has evaluated events occurring after the reporting period and through the date of issuance noting the following:

Effective October 9, 2025, WOCO entered into a community development agreement with one of the First Nations for CAD \$20,625; which was paid within the terms of the agreement.