

# **GENERATIONMINING**

**Management's Discussion and Analysis  
For the Year Ended December 31, 2024**

# GENERATION MINING

## Management's Discussion and Analysis

### For the Year Ended December 31, 2024

The following is Management's Discussion and Analysis ("MD&A") of the audited consolidated financial statements of operations of Generation Mining Limited and its wholly owned subsidiary company (together "Generation" or the "Company") for the year ended December 31, 2024. This MD&A should be read in conjunction with the audited consolidated financial statements for the year ended December 31, 2024 and 2023 including the notes thereto, prepared in accordance with the International Financial Reporting Standards or ("IFRS").

The MD&A is prepared by management and approved by the Board of Directors as of March 31, 2025. All figures are in Canadian dollars unless stated otherwise. Additional information relevant to the Company's activities can be found on SEDAR at [www.sedar.com](http://www.sedar.com).

This MD&A contains forward-looking statements. All statements in this discussion, other than statements of historical fact, that address future exploration and development activities and events or developments that the Company expects, are forward-looking statements. Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those in the forward-looking statements. Forward-looking statements should be read in conjunction with the risk factors described in the "Risk Factors" and "Cautionary Note Regarding Forward Looking Information" sections at the end of this MD&A and as described in the Company's Annual Information Form ("AIF") for the year ended December 31, 2024.

Readers are referred to the NI 43-101 technical report for the Marathon Project entitled "Marathon Copper-Palladium Project - Feasibility Study Report Update", dated March 28, 2025, with an effective date of November 1, 2024 (the "2025 FS" or the "Feasibility Study"). Readers are encouraged to review the full text of the Feasibility Study, available for review under the Company's website [www.genmining.com](http://www.genmining.com) and under the Company's profile at [www.sedarplus.ca](http://www.sedarplus.ca). The Feasibility Study supports the scientific and technical information set out in this MD&A, and supersedes the Company's previous technical report and Feasibility Study filed on May 31, 2024.

Scientific and technical information contained in this MD&A relating to Mineral Resources and exploration results was reviewed and approved by Matthew Pitts, P.Geo., Exploration Manager of Generation PGM Inc., a wholly-owned subsidiary of the Company, and all other scientific and technical information relating to the 2025 FS was reviewed and approved by Daniel Janusauskas, P.Eng., Technical Services Manager of Generation PGM Inc., each a "Qualified Person" under National Instrument 43-101 – Standards of Disclosure for Mineral Projects ("NI 43-101").

All dollar amounts are in Canadian dollars ("\$" or "C\$") unless otherwise stated. All references to "Mlbs" are to millions of pounds and "Moz" are to millions of troy ounces and "koz" are to thousands of troy ounces. Certain non-IFRS measures are included in this MD&A and are discussed in the *Non-IFRS Measures* section of this MD&A.

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### BUSINESS OVERVIEW

The Company was incorporated under the *Business Corporations Act* (Ontario) on January 11, 2018. Its registered office is located at 100 King Street West, Suite 7010, Toronto, Ontario M5X 1B1. The Company's common shares trade on the Toronto Stock Exchange under the symbol GENM and the OTCQB Venture Market under the symbol GENMF. The Company is an exploration and development stage company primarily focused on the development and construction of the Marathon Palladium and Copper project located in Marathon, Ontario Canada (the "Marathon Property" or "Marathon Project" or the "Project"), a large undeveloped platinum group metal and copper mineral deposit in Northwestern Ontario, Canada. The Marathon Project is 100% owned by Generation PGM Inc. ("Generation PGM"), a wholly owned subsidiary of Generation.

Comparable to many exploration and early-stage development companies, the Company relies on financing to fund its exploration, development and acquisition activities. The Company had a working capital surplus of \$3,045,105 at December 31, 2024 (December 31, 2023 surplus - \$11,926,597); had not yet achieved profitable operations; had accumulated losses of \$136,208,661 at December 31, 2024; (December 31, 2023 - \$114,588,541); and expects to incur further losses in the development of its business. The Company does not have adequate cash resources to fund its operations over the next twelve months and will require additional financing in order to conduct its planned work programs on its mineral properties, meet its ongoing levels of corporate overhead and discharge its liabilities as they come due.

### 2024 ANNUAL AND YEAR TO DATE HIGHLIGHTS

- On March, 28 2025, the Company filed a Feasibility Study which underscores the robustness of the Marathon Project with an after-tax NPV6% of \$1.07 billion, IRR of 28% and 1.9 year payback period based on the 3-yr trailing average metal prices as of November 1, 2024. See 2025 Feasibility Study, below, for further details.
- In February 2025, Generation received the Permit to Take Water ("PTTW") for the construction phase of the Project from the Ministry of the Environment, Conservation and Parks ("MECP"). In March 2025, Generation received four Lakes and Rivers Improvement Act ("LRIA") permits from the Ministry of Natural Resources ("MNR"). These permits are related to the construction of infrastructure associated with the water and tailings management structures for the Project. These approvals mark significant milestones in the advancement of the Marathon Project.
- In February 2025, Generation completed the work associated with the aerial survey portion of the Endangered Species Act ("ESA") permit for the Boreal Woodland Caribou in the Lake Superior Coastal Range (the "Caribou Survey") as required by the amended ESA MECP permit.
- On October 7, 2024 the Company was awarded up to \$771,000 from the Critical Minerals Infrastructure Fund (CMIF) pending final due diligence and certain conditions precedent. The CMIF is

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a key program under the Canadian Critical Minerals Strategy to address infrastructure gaps, enable critical minerals production and connect resources to markets through various clean energy, electrification and transportation infrastructure projects.

- On August 2, 2024, the Company announced receipt of the federal Fisheries Act Authorization ("FAA") for the Marathon Project. The FAA approves the Company's plan to avoid, mitigate and offset impacts to fish and fish habitat related to the development of the Marathon Project.
- On July 31, 2024, the Company received federal government approval for amendments to Schedule 2 of the Metal and Diamond Mining Effluent Regulation ("Schedule 2"). Importantly, the approval allows for the construction of the tailings storage facility and water management structures required for the construction and operation of the Marathon Project.
- The Company completed an exploration program consisting of approximately 6,800 metres of drilling on a number of high-prospectivity copper targets north and west of the Marathon Project. Detailed results of the full program are outlined in the Company's press releases dated March 7, April 23, and July 26, 2024.

## OUTLOOK

The Company intends to continue to advance the development of the Marathon Project. Key milestones and areas of focus over the next twelve months will include the following:

- Continue to progress permits that are critical to allow for the construction phase,
- Conduct an exploration program on the property,
- Advance project financing required to develop the Marathon Project, and

Subject to receiving the requisite permits, project financing (as discussed elsewhere in this MD&A), and formal Board approval, commence construction of the Project.

## 2025 FEASIBILITY STUDY

### Highlights

- **Robust Base Case economics<sup>1</sup>:** An after-tax NPV<sub>6%</sub> of \$1.07 billion, IRR of 28% and 1.9 year payback period based on the 3-yr trailing average metal prices at the effective date<sup>2</sup>
- **Strong critical mineral production during pre-production and the first three years of commercial operation:** 151 Mlbs of payable copper, 720 koz of payable palladium and 156 koz of platinum
- **Initial Capital:** C\$992 million<sup>3</sup>
- **Attractive AISC:** Life of mine ("LOM") all-in sustaining costs ("AISC") of US\$2.05/CuEq lb or US\$781/PdEq oz<sup>3</sup>
- **At recent long-term consensus prices<sup>2</sup>:** An after-tax NPV<sub>6%</sub> of \$876 million, IRR of 24% and 2.2 year payback period, with 41% of payable metal revenues attributable to copper and 41% attributable to palladium
- **At recent spot prices:** An after-tax NPV<sub>6%</sub> of \$749 million, IRR of 21% and 2.4 year payback period,

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<sup>1</sup> Unless otherwise noted, the economic analysis includes the impact of the WPM PMPA

<sup>2</sup> See Economic Analysis, below, for metal price and exchange rate assumptions

<sup>3</sup> See Non-IFRS Financial Measures, below, for additional information on Initial Capital, AISC, PdEq and CuEq.

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- with 44% of payable metal revenues attributable to copper and 37% attributable to palladium.
- **Average annual payable metals:** 42 Mlbs copper, 168 koz palladium, 38 koz platinum, 12 koz gold and 240 koz silver over approximately 13 years of mine life
- **Jobs:** Creation of over 800 jobs during construction and over 400 direct permanent jobs during operations
- **The Next Critical Mineral, Shovel-Ready Project:** Fully Permitted for Construction federally and waiting for approval on last permit from the Government of Ontario.

The 2025 FS incorporates the results of the Project optimization work reported by the Company in a news release entitled "Generation Completes Optimization Work for the Marathon Project with Improved Mine Plan and Reduced Capex" issued on November 20, 2024, which focused on two key aspects:

- 1) Optimization of the mine plan to maximize metal production and defer waste stripping in the early years of operations in order to improve early cash flows and reduce the payback period ("Mine Plan Optimization"); and
- 2) Optimization of the process plant design and layout, including sizing of key equipment, plant footprint and foundations, in order to reduce the initial Project capital costs ("Initial Capital Optimization", and together with the Mine Plan Optimization, the "Optimization Work").

The Optimization Work has now been further updated to incorporate changes to Mineral Resources, Mineral Reserves, the Life-of-Mine (LOM) mining plan and operating and capital costs, using the same metal price assumptions which formed the basis of the November 20, 2024 news release.

The 2025 FS was prepared by Ausenco Engineering Canada ULC ("Ausenco"), along with contributions from Moose Mountain Technical Services ("MMTS"), Knight Piésold Ltd. ("KP"), P&E Mining Consultants Inc. ("P&E"), and JDS Energy and Mining, Inc ("JDS").

The 2025 FS outlines the operation of an open pit mine and process plant over a mine life of 12.5 years.

### Economic Analysis

The updated Feasibility Study underscores the continued economic robustness of the Marathon Project with an after-tax NPV<sub>6%</sub> of \$1.07 billion, IRR of 28% and 1.9 year payback period based on the 3-yr trailing average metal prices as of November 1, 2024.

The following table presents the key outputs of the economic analysis for the 2025 FS using 3-year trailing average metal prices, together with the same analysis performed using spot and consensus metal prices, and foreign exchange rate assumptions:

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Item	Units	2025 FS <sup>(c)</sup>	March 25, 2025 Spot <sup>(d)</sup>	March 2025 long-term consensus <sup>(e)</sup>
<b>Key Assumptions</b>				
Exchange rate (C\$/US\$)	C\$/US\$	1.35	1.44	1.37
Palladium Price	US\$/oz	1,525	965	1,133
Copper Price	US\$/lb	4.00	4.43	4.52
Platinum Price	US\$/oz	950	1,003	1,240
Gold Price	US\$/oz	2,000	2,983	2,511
Silver Price	US\$/oz	24.00	33.68	31.19
<b>Revenue Split <sup>(a)</sup></b>				
Palladium	%	52	37	41
Copper	%	34	44	41
Platinum	%	7	9	10
Gold	%	5	9	7
Silver	%	1	2	2
<b>Economic Results <sup>(b)(f)</sup></b>				
Pre-Tax Cash Flow (undiscounted)	\$M	3,009	2,291	2,576
Pre-Tax NPV <sub>6%</sub>	\$M	1,660	1,189	1,375
Pre-Tax IRR	%	35.1%	27.6%	30.6%
Pre-Tax Payback	years	1.7	2.0	1.8
After-Tax Cash Flow (undiscounted)	\$M	2,032	1,554	1,744
After-Tax NPV <sub>6%</sub>	\$M	1,070	749	876
After-Tax IRR	%	27.6%	21.4%	23.8%
After-Tax Payback	years	1.9	2.4	2.2
<b>Notes:</b>				
(a) Totals may not add to 100% due to rounding. Splits presented before adjustments for the impact of the Precious Metals Purchase Agreement ("PMPA") with Wheaton Precious Metals Corp. ("Wheaton").				
(b) The economic analysis was carried out in real terms (i.e., without inflation factors) in Q4 2024 Canadian dollars, assuming no project construction financing but inclusive of mining equipment leasing.				
(c) Metal price assumptions are based on the adjusted 3-year historical trailing averages as of November 1, 2024 for each of the metals. The 3-year averages are as follows: Palladium - US\$1,523/oz, Copper at US\$4.02/lb, Platinum at US\$964/oz, Gold at US\$1,995/oz and Silver at US\$24.02/oz.				
(d) March 25, 2025 spot prices of US\$965/oz palladium, US\$4.58/lb copper US\$981/oz platinum, US\$3,020/oz gold, US\$33.68/oz silver and exchange rate of C\$1.43 : US\$1.00, source: Bloomberg				
(e) Long-term consensus pricing provided by Haywood Securities as of March 24, 2025.				
(f) See Non-IFRS Financial Measures, below, for additional information on Pre-Tax and After-Tax Cash Flows.				

### Sensitivities

The Project has significant leverage to palladium and copper prices. The after-tax valuation sensitivities for the key metrics are shown below.

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After-Tax NPV <sub>6%</sub> Results		Palladium Price Sensitivity (US\$/oz)							
		800	1,000	1,250	1,500	1,525	1,750	2,000	2,200
Copper Price Sensitivity (US\$/lb)	2.50	(291)	(9)	308	612	643	916	1,214	1,466
	3.00	(120)	145	452	758	788	1,057	1,368	1,606
	3.50	41	296	598	899	929	1,211	1,509	1,746
	4.00	194	438	741	1,040	1,070	1,352	1,649	1,886
	4.50	337	582	883	1,195	1,225	1,492	1,788	2,023
	5.00	484	723	1,023	1,335	1,365	1,632	1,927	2,165
	5.50	625	866	1,178	1,475	1,505	1,771	2,067	2,306

After-Tax IRR Results		Palladium Price Sensitivity (US\$/oz)							
		800	1,000	1,250	1,500	1,525	1,750	2,000	2,200
Copper Price Sensitivity (US\$/lb)	2.50	-	5.7%	13.5%	19.9%	20.5%	25.5%	30.7%	34.5%
	3.00	2.8%	9.6%	16.4%	22.4%	23.0%	27.8%	32.7%	36.4%
	3.50	7.0%	12.9%	19.2%	24.8%	25.4%	30.0%	34.7%	38.3%
	4.00	10.5%	15.8%	21.7%	27.1%	27.6%	32.1%	36.6%	40.1%
	4.50	13.6%	18.5%	24.1%	29.3%	29.8%	34.1%	38.5%	41.9%
	5.00	16.4%	21.0%	26.4%	31.4%	31.9%	36.0%	40.3%	43.6%
	5.50	19.0%	23.5%	28.6%	33.4%	33.8%	37.8%	42.1%	45.3%

After-Tax Payback		Palladium Price Sensitivity (US\$/oz)							
		800	1,000	1,250	1,500	1,525	1,750	2,000	2,200
Copper Price Sensitivity (US\$/lb)	2.50	-	7.8	4.3	2.5	2.5	2.0	1.8	1.5
	3.00	10.4	5.6	3.3	2.3	2.2	1.9	1.5	1.4
	3.50	6.8	4.9	2.9	2.1	2.1	1.8	1.5	1.4
	4.00	5.6	4.2	2.4	2.0	1.9	1.6	1.4	1.3
	4.50	5.0	3.0	2.1	1.9	1.8	1.5	1.4	1.3
	5.00	4.2	2.4	2.0	1.6	1.6	1.4	1.3	1.2
	5.50	3.0	2.2	1.9	1.5	1.5	1.4	1.3	1.2

After-Tax Results	OPEX Sensitivity				
	+30%	+15%	0%	-15%	-30%
NPV <sub>6%</sub> (\$M)	669	871	1,070	1,282	1,479
Payback (yrs)	2.3	2.1	1.9	1.8	1.6
IRR (%)	21.2%	24.6%	27.6%	30.5%	33.1%

After-Tax Results	CAPEX Sensitivity				
	+30%	+15%	0%	-15%	-30%
NPV <sub>6%</sub> (\$M)	860	966	1,070	1,173	1,277
Payback (yrs)	3.0	2.3	1.9	1.5	1.2
IRR (%)	19.6%	23.1%	27.6%	33.8%	42.7%



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## Management's Discussion and Analysis For the Year Ended December 31, 2024

After-Tax Results	FX Sensitivity				
	1.25	1.30	1.35	1.40	1.45
NPV <sub>6%</sub> (\$M)	840	955	1,070	1,199	1,313
Payback (yrs)	2.2	2.0	1.9	1.9	1.6
IRR (%)	23.7%	25.7%	27.6%	29.5%	31.3%

### Capital Costs

The initial capital costs for construction and ramp-up, together with expected sustaining capital and closure costs, are presented in the table below:

Capital Area	2025 FS (\$M)
Mobile Equipment for Construction <sup>(a)</sup>	74
Processing Plant	280
Infrastructure	88
TSF, Water Management and Earthworks	97
EPCM, General and Owners Cost	198
Preproduction, Startup, Commissioning	169
Contingency	87
<b>Initial Capital</b>	<b>992</b>
Preproduction revenue <sup>(b)</sup>	(184)
<b>Total</b>	<b>809</b>
Sustaining Capital	565
Closure and Reclamation Costs	72

#### Notes:

- (a) Mobile equipment acquired for Construction is presented as the cost of equipment deposits and lease payments during the construction and pre-production period. The remainder of the equipment leasing costs are incurred during operations and included in sustaining capital.
- (b) Revenue net of Related Off-Site Costs (Transport, Smelter, and Royalties) and working capital adjustments. See Economic Analysis, above, for additional information on the metal price assumptions used in the 2025 FS.

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## Management's Discussion and Analysis For the Year Ended December 31, 2024

### Operating Costs

The Project operating costs have been updated and are reflected in the table below.

Description	Units	Operating Cost
Mining <sup>(a)</sup>	\$/t processed	12.93
Processing	\$/t processed	8.57
General & Administration	\$/t processed	2.62
Concentrate Transport Costs	\$/t processed	1.96
Treatment & Refining Charges	\$/t processed	2.38
Royalties	\$/t processed	0.10
Total Operating Costs	\$/t processed	28.56
Average Operating Cost	US\$/oz PdEq <sup>(c)</sup>	663
Average All-in Sustaining Cost <sup>(b)</sup>	US\$/oz PdEq <sup>(c)</sup>	781
Average Operating Cost	US\$/lb CuEq <sup>(c)</sup>	1.74
Average All-in Sustaining Cost <sup>(b)</sup>	US\$/lb CuEq <sup>(c)</sup>	2.05

Notes:

<sup>(a)</sup> Mining cost per tonne mined is C\$3.49/t .

<sup>(b)</sup> All-in sustaining cost excludes the impact of the Wheaton PMPA.

<sup>(c)</sup> See Non-IFRS Financial Measures, below, for additional information on Operating Costs, AISC, PdEq and CuEq.

### Mine Plan

The life of mine plan has been updated and the production details are summarized in the table below.

	Units	2025 TR
<b>LOM Throughput</b>		
Peak Process Plant Throughput	tpd	27,700
	Mt/year	10.1
Peak Mining Rate	tpd	164,000
	Mt/year	60
<b>Mine Production (LOM)</b>		
Total Mined	Mt	489.7
Total Waste Mined	Mt	361.4
Total Ore Mined	Mt	128.3
Strip Ratio	waste:ore	2.8
<b>Payable Metal (LOM)</b>		
Palladium	koz	2,161
Copper	Mlbs	532
Platinum	koz	488
Gold	koz	160
Silver	koz	3,051

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## Mineral Resources

The Mineral Resource Estimate below is for the combined Marathon, Geordie and Sally Deposits. The Mineral Resource Estimates for Marathon, Geordie and Sally were prepared by P&E.

### Pit Constrained Combined Mineral Resource Estimate for the Marathon, Geordie and Sally Deposits (Effective date November 1, 2024)

Mineral Resource Classification	Tonnes	Pd		Cu		Pt		Au		Ag	
	Mt	g/t	koz	%	Mlbs	g/t	koz	g/t	koz	g/t	koz
<b>Marathon Deposit</b>											
Measured	164.0	0.56	2,973	0.20	712	0.18	970	0.07	358	1.7	9,089
Indicated	38.1	0.39	476	0.18	153	0.13	159	0.06	71	1.6	1,896
<b>Meas. + Ind.</b>	<b>202.0</b>	<b>0.53</b>	<b>3,449</b>	<b>0.19</b>	<b>865</b>	<b>0.17</b>	<b>1,129</b>	<b>0.07</b>	<b>429</b>	<b>1.7</b>	<b>10,985</b>
Inferred	2.9	0.36	34	0.16	10	0.13	12	0.06	6	1.2	112
<b>Geordie Deposit</b>											
Indicated	17.3	0.56	312	0.35	133	0.04	20	0.05	25	2.4	1,351
Inferred	12.9	0.51	212	0.28	80	0.03	12	0.03	14	2.4	982
<b>Sally Deposit</b>											
Indicated	24.8	0.35	278	0.17	93	0.2	160	0.07	56	0.7	567
Inferred	14.0	0.28	124	0.19	57	0.15	70	0.05	24	0.6	280
<b>Total Project</b>											
Measured	164.0	0.56	2,973	0.20	712	0.18	970	0.07	358	1.7	9,089
Indicated	80.1	0.41	1,066	0.21	379	0.13	339	0.06	152	1.5	3,814
<b>Meas. + Ind.</b>	<b>244.1</b>	<b>0.51</b>	<b>4,039</b>	<b>0.20</b>	<b>1,091</b>	<b>0.17</b>	<b>1,309</b>	<b>0.06</b>	<b>510</b>	<b>1.6</b>	<b>12,903</b>
Inferred	29.8	0.39	370	0.22	147	0.10	94	0.05	44	1.4	1,374

#### Notes:

- Mineral Resources were estimated using the Canadian Institute of Mining, Metallurgy and Petroleum (CIM), CIM Standards on Mineral Resources and Reserves, Definitions (2014) and Best Practices Guidelines (2019) prepared by the CIM Standing Committee on Reserve Definitions and adopted by CIM Council.
- Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability. The estimate of Mineral Resources may be materially affected by environmental, permitting, legal, marketing, or other relevant issues. Mineral Resources are reported inclusive of Mineral Reserves.
- The Inferred Mineral Resource in this estimate has a lower level of confidence than that applied to an Indicated Mineral Resource and must not be converted to a Mineral Reserve. It is reasonably expected that the majority of the Inferred Mineral Resource could be upgraded to an Indicated Mineral Resource with continued exploration.
- The Marathon Mineral Resource is reported within a constrained pit shell at a NSR cut-off grade of \$13.6/t.
- Marathon NSR (\$/t) = (Cu % x 111.49) + (Ag g/t x 0.73) + (Au g/t x 80.18) + (Pd g/t x 56.02) + (Pt g/t x 36.49) - 2.66
- The Marathon Mineral Resource Estimate was based on metal prices of US\$1,550/oz Pd, US\$4.250/lb Cu, US\$1,100/oz Pt, US\$2,300/oz Au and US\$27/oz Ag, and a C\$:US\$ exchange rate of C\$1.35 to US\$1.00.
- The Sally and Geordie mineral resources are reported within a constraining pit shell at a NSR cut-off grade of \$13/t.
- Sally and Geordie NSR (\$/t) = (Ag g/t x 0.48) + (Au g/t x 42.14) + (Cu % x 73.27) + (Pd g/t x 50.50) + (Pt g/t x 25.07) - 2.62
- The Sally and Geordie Mineral Resource Estimate was based on metal prices of US\$1,600/oz Pd, US\$3.00/lb Cu, US\$900/oz Pt, US\$1,500/oz Au and US\$18/oz Ag, and a C\$:US\$ exchange rate of 1.30 C\$ to 1.00 US\$.
- Contained metal totals may differ due to rounding.

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## Mineral Reserves

The Mineral Reserve estimate for the Project includes only the Marathon Deposit. The Mineral Reserve Estimate was prepared by MMTS.

### Marathon Project Open Pit Mineral Reserve Estimates (Effective Date of November 1, 2024)

Mineral Reserves	Tonnes	Pd		Cu		Pt		Au		Ag	
	Mt	g/t	koz	%	M lb	g/t	koz	g/t	koz	g/t	koz
Proven	115.5	0.66	2,434	0.22	549	0.20	754	0.07	264	1.7	6,242
Probable	12.7	0.47	193	0.20	56	0.15	61	0.06	26	1.6	635
<b>P &amp; P</b>	<b>128.3</b>	<b>0.64</b>	<b>2,627</b>	<b>0.21</b>	<b>605</b>	<b>0.20</b>	<b>815</b>	<b>0.07</b>	<b>291</b>	<b>1.8</b>	<b>6,877</b>

#### Notes:

- The mineral reserves estimate were prepared by Marc Schulte, P.Eng., who is also an independent Qualified Person, reported using the 2014 CIM Definition Standards, and have an effective date of November 1, 2024.
- Mineral reserves are a subset of the Measured and Indicated Mineral Resources Estimate that has an effective date of November 1, 2024. Inferred class Mineral Resources are treated as waste.
- Mineral Reserves are based on the 2024 Marathon Project Feasibility Study Update mine plan.
- Mineral Reserves are mined tonnes and grade; the reference point is the process plant feed at the primary crusher. Process Plant feed tonnes and grade include consideration of mining operational dilution and recovery.
- Mineral Reserves are reported at a cut-off grade of \$16/t NSR. The NSR cut-off assumes Pd Price of US\$1,525/oz, Cu price of US\$4.00/lb, Pt Price of US\$950/oz, Au price of US\$2,000/oz, Ag price of US\$24/oz, at an exchange rate of 0.74 US dollar per 1.00 Canadian dollar; payable percentages of 95% for Pd, 96.5% for Cu, 93% for Pt, 93.5% for Au, 93.5% for Ag; refining charges of US\$24.5/oz for Pd, US\$0.079/lb for Cu, US\$24.5/oz for Pt, US\$0.50/oz for Ag; minimum deductions of 2.875 g/t for Pd, 1.1% for Cu, 2.875 g/t for Pt, 1.0 g/t for Au, 30.0 g/t for Ag; treatment charges of US\$79/t and transport and off-site costs of US\$125/t concentrates, concentrate ratio of 90.9%; metallurgical recoveries are based on variable grade dependent metallurgical recovery curves.
- The NSR cut off-grade covers process costs of \$8.27/t, general and administrative (G&A) costs of \$2.63/t, sustaining and closure costs of \$3.13/t, ore mining differential costs of \$0.57/t, and stockpile rehandle costs of \$1.40/t.
- Numbers have been rounded, which may result in summation differences. Canadian Institute of Mining, Metallurgy and Petroleum (CIM) Definition Standards for Mineral Resources and Mineral Reserves (CIM (2014) definitions) were used for Mineral Reserve classification.

## Qualified Persons

The 2025 FS was prepared through the collaboration of the following consulting firms and Qualified Persons within their primary area of responsibility:

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For the Year Ended December 31, 2024

Consultant Company	Primary Area of Responsibility	Qualified Persons
Ausenco Engineering Canada ULC	Overall integration, capital cost estimation compilation, process plant capital and operating costs, economic analysis, recovery methods, mineral processing and metallurgical testwork	Tommaso Roberto Raponi, P. Eng.
JDS Energy and Mining, Inc.	Infrastructure, and earthworks capital cost estimates, and project execution plan	Jean-Francois Maille, P.Eng.
Knight Piésold Ltd.	Tailings Storage Facility, water balance, geotechnical studies (mine rock storage piles, open pit and local infrastructure and foundations)	Craig N. Hall, P.Eng.
Moose Mountain Technical Services	Mineral Reserves, mining methods, mining operating and capital cost estimate	Marc Schulte, P. Eng.
P&E Mining Consultants, Inc.	Property description and location, accessibility, history, geological setting and mineralization, deposit types, exploration, drilling, sample preparation and security, data verification, Mineral Resource Estimates and adjacent properties	Eugene J. Puritch, P.Eng., FEC, CET Jarita Barry, P.Geo. Fred H. Brown, P.Geo. David Burga, P.Geo. William Stone, PhD, P.Geo.

## CORPORATE AND PROJECT UPDATES

### Detailed Engineering

Late in the first quarter of 2023 and through 2024, the Company paused the detailed engineering and procurement services pending increased visibility regarding the timing associated with the receipt of permits required for commencement of construction and project financing.

### Early Procurements

#### Grinding Mills, Power Transformer and Sub-Station

On August 8, 2022, Generation PGM entered into an agreement with Hycroft Mining Holding Corporation ("Hycroft"), for the purchase of an unused surplus SAG mill, ball mill and main sub-station and power transformers (the "Hycroft Equipment"). Due to a number of factors the Company terminated its purchase of the Hycroft Equipment in 2024 and all associated security deposits were written off.

#### Construction Camp

On July 12, 2022, the Company announced that it had entered into an agreement with Valard Equipment LP ("Valard"), as subsequently amended, for the lease of a construction camp (the "Camp") located in Marathon, Ontario until December 31, 2025 (previously June 30, 2024) (the "Lease Term") and an option, exercisable at the Company's discretion, to purchase the Camp on or before the end of the Lease Term. The total remaining obligations as at December 31, 2024, including the monthly lease payments of \$75,000

# GENERATIONMINING

## Management's Discussion and Analysis For the Year Ended December 31, 2024

and the purchase option of \$730,000 due December 30, 2025, is \$1,630,000. In connection with this agreement, the Company has also leased the existing serviced camp site from the Town of Marathon.

### Environment, Permitting and Community

#### Environmental Approvals

The Marathon Project was assessed in accordance with the Canadian Environmental Assessment Act 2012 ("CEAA 2012") and Ontario's Environmental Assessment Act, 1990 ("EA Act") through a Joint Review Panel ("JRP") pursuant to the Canada-Ontario Agreement on Environmental Assessment Cooperation (2004). This was approved on November 30, 2022. Included in the EA approval, the federal and provincial governments included conditions ("EA Conditions") to be completed in the various phases of the Project. Further, with the approval of the EA, the Project proceeded to submit applications for the various permits that are required for construction, operation and closure.

To date, the Project has advanced on the following:

In August 2023 the Company received the Endangered Species Act permit ("ESA permit") issued by the Ministry of the Environment, Conservation and Parks ("MECP") for Caribou (Boreal population) ("caribou") and Little Brown Myotis, Northern Myotis and Tri-coloured Bats ("SAR bats"). The permit includes conditions intended to minimize impacts to caribou and SAR bats, as well as to create an overall benefit for these species at risk. The ESA permit conditions for caribou include off-site restoration of habitat, research initiatives, caribou population monitoring, and stewardship collaboration with Biigtigong Nishnaabeg ("BN") and other Indigenous communities. The ESA permit conditions related to SAR bats include construction of a bat hibernaculum, installation of roosting structures and monitoring.

In September 2023, the Company received the Environmental Compliance Approval ("ECA") issued by MECP for air and noise emissions related to the construction of the Project. The approval includes mitigation measures and monitoring requirements to be undertaken by the Project. Mitigation measures include controlling fugitive dust emissions and minimizing noise emissions during operations. An ambient air monitoring program was implemented to characterize background air quality prior to construction of the Project.

As an element of the EA Conditions, the Company agreed to obtain consent of Biigtigong Nishnaabeg ("BN") on the Closure Plan. In September 2023 the Company received consent from ("BN") Chief and Council of the Closure Plan. The Closure Plan was submitted in September 2023 and was accepted and filed by the Ministry of Mines on November 6, 2023.

The Project has received the Permit to Remove in November 2023 which allows for the harvesting of trees on the site footprint.

In July 2024 the Company received approval from the federal government for amendments to Schedule 2 of the *Metal and Diamond Mining Effluent Regulations* ("Schedule 2"). Importantly, the approval allows for the construction of the tailings storage facility and water management structures required for the construction and operation of the Marathon Project. The regulatory amendment adding the specified Marathon Project waterbodies and geographic areas encompassing water bodies to Schedule 2 was published in the Canada Gazette, Part II, on July 31, 2024.

In August 2024, the Company received the FAA for the Marathon Project. The FAA approves the Company's plan to avoid, mitigate and offset impacts to fish and fish habitat related to the development

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## Management's Discussion and Analysis

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of the Marathon Project.

In February 2025, Generation completed the work associated with the aerial survey portion of the Endangered Species Act ("ESA") permit for the Boreal Woodland Caribou in the Lake Superior Coastal Range (the "Caribou Survey") as required by the amended ESA MECP permit. The completion of the Caribou Survey was a key portion of the amendment to the ESA permit and reflects the Company's commitment to environmental stewardship and aligns with the objectives established by MECP, Indigenous groups, and other stakeholders for the protection and management of Boreal Woodland Caribou in the Lake Superior Coastal Range. The survey included 5,500km of flight-lines via helicopter over the range extending from Terrace Bay to the Montreal River including the Slate Islands (which is a known location for the site of a translocated Caribou population), Michipicoten Island and other near shore islands, with biologists and trained spotters and key Indigenous community members.

In February 2025, Generation received the Permit to Take Water ("PTTW") for the construction phase of the Project from the Ministry of the Environment, Conservation and Parks ("MECP"). In March 2025, Generation received four Lakes and Rivers Improvement Act ("LRIA") permits from the Ministry of Natural Resources ("MNR"). These permits are related to the construction of infrastructure associated with the water and tailings management structures for the Project. These approvals mark significant milestones in the advancement of the Marathon Project.

In addition, the process to obtain the Environmental Compliance Approval ("ECA") issued by MECP for water discharge related to the construction of the Project is in progress. It is expected that this approval will be received in H1-2025, following which, Generation will have obtained all permits required to construct the Project.

### **Community Update**

The Company and its predecessors have been engaged in consultation and discussion with several Indigenous communities and regional municipalities with respect to the Project since 2004. The Company, along with the identified communities, have developed constructive relationships through regular meetings and interactions to advance the development of the Project. The Company is striving to ensure these partnerships have mutually beneficial outcomes and anticipates strong and long-lasting relationships with these groups.

The Community Benefit Agreement ("CBA") between Generation PGM and Biigtigong Nishnaabeg ("BN"), which was ratified through a BN membership vote completed on November 12, 2022, describes the benefits the BN community will receive from the Project and details how the Project's impacts on the community will be mitigated. It includes commitments from the Company regarding environmental management, employment, training and education, business opportunities, social and cultural support, and financial participation.

### **Project Financing**

In August 2021, the Company appointed Endeavour Financial as its Financial Advisor to provide financial advisory services with respect to the development of the Marathon Project. Endeavour Financial, with offices in London, UK, George Town, Cayman Islands, and Vancouver, British Columbia, is a top mining financial advisory firm, with a record of success in the mining industry, specializing in arranging multi-sourced funding solutions for development-stage companies. The Endeavour Financial team has diverse

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## Management's Discussion and Analysis For the Year Ended December 31, 2024

experience in both natural resources and finance, including investment bankers, geologists, mining engineers, cash flow modelers and financiers.

### **Stream Financing**

The Company and its 100% owned subsidiary, Generation PGM, entered into a definitive Precious Metal Purchase Agreement with Wheaton Precious Metals Corp. ("Wheaton") in respect to the Marathon Project dated as of January 26, 2022, which has subsequently been amended ("PMPA").

Pursuant to the PMPA, Wheaton will pay the Company total upfront cash consideration of \$240,000,000, \$40,000,000 of which was paid (\$20,000,000 on March 31, 2022 ("First Early Deposit") and \$20,000,000 on September 7, 2022) on an early deposit basis prior to construction to be used for development of the Marathon Project. The remainder of \$200,000,000 is payable in four staged instalments during construction (each a "Construction Payment"), subject to various customary conditions being satisfied. Generation Mining and its subsidiary, Generation PGM, have provided Wheaton a first ranking security interest over all their assets and various time sensitive performance guarantees relating to the development of the Project.

Under the PMPA, Wheaton will purchase 100% of the payable gold production until 150 thousand ounces ("koz") have been delivered, thereafter dropping to 67% of payable gold production for the life of the mine; and 22% of the payable platinum production until 120 koz have been delivered, thereafter dropping to 15% for the life of mine.

Wheaton will make ongoing payments for the gold and platinum ounces delivered equal to 18% of the spot prices ("Production Payment") until the value of gold and platinum delivered less the Production Payment is equal to the upfront consideration of \$240,000,000, at which point the Production Payment will increase to 22% of the spot price.

The term of the agreement is 20 years, renewable at Wheaton's election for an additional 10 years.

From the first anniversary date of the First Early Deposit until the first Construction Payment the Company will be subject to a delay payment of 250 ounces of gold per month plus accrued interest ("Delay Ounce Balance"). At Generation PGM's election, the Delay Ounce Balance is payable in gold deliveries from operations or in cash. The full Delay Ounce Balance will be subject to early repayment if certain triggering events occur, including (a) events of default, (b) no Construction Payment has been advanced by March 31, 2027, (c) Completion (as defined in the PMPA) of the Marathon Project is not achieved within 4 years from the first Construction Payment, and (d) the date that is one year after Completion is achieved.

### **Senior Secured Facility**

On May 2, 2023, the Company executed a mandate letter to arrange a senior secured project finance facility of up to US\$400 million (the "Mandate") to fund the construction and development of the Marathon Project. A syndicate including Export Development Canada ("EDC"), together with ING Capital LLC ("ING") and Societe Generale S.A. ("Societe Generale"), will act as the Mandated Lead Arrangers ("MLAs"). The formal Mandate includes a non-binding indicative term sheet (the "Term Sheet") for a senior debt facility of up to US\$400 million (the "Facility").

Closing of the Facility remains subject to completion of final due diligence in form and substance satisfactory to the MLAs, including negotiating an appropriate cost overrun facility, determining final debt capacity, final credit approvals and execution of definitive Facility documentation. The definitive Facility



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## Management's Discussion and Analysis For the Year Ended December 31, 2024

documentation will include customary project finance terms and conditions, as well as a comprehensive intercreditor agreement. Drawdowns under the Facility would be subject to customary conditions precedent. In light of lower palladium spot prices in the second half of 2023 and throughout 2024, the Company and the MLAs have paused negotiations. The Mandate is scheduled to expire on May 1, 2025 unless extended by mutual agreement of the parties.

### Investments in Associate

On November 15, 2023, the Company entered into an agreement with Moon River Capital Ltd., now renamed Moon River Moly Ltd. ("Moon River"), which is a company located in Ontario, Canada. The Company sold its rights and interests in an agreement to acquire a 100% interest in the Davidson Property hosting a molybdenum-tungsten deposit for \$630,000 in cash and 9 million common shares of Moon River ("MR Shares") valued at \$0.25 for total proceeds of \$2,880,000. As at December 31, 2024 and 2023, the Company held 27.3% of the issued and outstanding common shares of Moon River.

The MR Shares are subject to certain sale restrictions if Generation holds 10% or greater of the issued and outstanding common shares of Moon River. The sale restrictions are as follows: 1) Moon River will have the option to identify the buyer of the MR Shares until November 15, 2025, and 2) Generation will be restricted from open market sales based on certain historical daily volume averages of Moon River common shares. The MR Shares are also subject to TSX.V escrow conditions whereby the shares will be released from escrow as follows: 900,000 shares November 15, 2023 (released), 1,350,000 shares on each of May 15, 2024 (released), November 15, 2024 (released), May 15, 2025, November 15, 2025, May 15, 2026, and November 15, 2026. Generation also has the right to appoint a director to the Board of Moon River and will have the right to maintain its pro rata equity interest for as long as it continues to hold greater than 10% of the issued and outstanding Common Shares.

As a result of Generation's 27.3% interest in Moon River as at November 15, 2023 and December 31, 2024, the Company determined that it had significant influence over Moon River and has accounted for its investment as an Investment in Associate using the equity basis of accounting. The Company recorded a fair value of \$2,200,000 for its investment upon initial recognition. Fair Value was estimated based on the Moon River share price of \$0.25 for the financing completed concurrently with the closing, less transaction costs of \$50,000. As at December 31, 2024, the last closing price of Moon River shares (MOO.V) was \$0.49 and the fair value of the 9 million shares was \$4,410,000.

Changes in the investment in associate for the year ended December 31, 2024 were as follows:

<b>Balance as at December 31, 2022</b>	-
Acquisition at fair value as at November 15, 2023	\$ 2,200,000
Share of Moon River net loss for the period	(95,321)
<b>Balance as at December 31, 2023</b>	\$ 2,104,679
Share of Moon River net loss for the period	(700,304)
<b>Balance as at December 31, 2024</b>	\$ 1,404,375

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## Management's Discussion and Analysis For the Year Ended December 31, 2024

### RESULTS FROM OPERATIONS

The following tables set forth financial information for the Company which has been summarized from and should be read in conjunction with the Company's audited consolidated financial statements for the year ended December 31, 2024, and 2023, including the notes thereto.

Statements of Loss	Three months ended December 31,		Year ended December 31,	
	2024	2023	2024	2023
<b>Expenses</b>				
Property acquisition	\$ -	\$ -	\$ -	\$ -
Environmental assessment and community consultation	438,251	537,741	1,848,692	3,372,224
Project feasibility and engineering	168,093	2,515,963	2,460,353	8,749,441
Exploration and site costs	210,373	268,522	3,275,134	1,889,361
Other	205,621	285,823	942,063	853,380
Acquisition, exploration and evaluation expenditures	1,022,338	3,608,049	8,526,242	14,864,406
Share-based compensation	135,520	167,048	1,228,121	1,082,240
Audit, legal and advisory fees	75,900	86,285	296,056	1,736,983
Management and corporate administration services	131,725	-	1,180,964	917,860
Shareholder and investor communications costs	45,393	41,057	246,168	507,171
Occupancy cost	21,717	23,773	88,929	111,318
Interest expense	61,728	70,401	287,957	381,248
Operating loss	(1,494,321)	(3,996,613)	(11,854,437)	(19,601,226)
Flow-through share premium recovery	45,456	-	387,120	-
Gain on lease modification	-	-	253,347	-
Fair value loss on financial liability	(2,763,922)	(3,164,074)	(10,371,661)	(1,345,008)
Gain on disposition of Davidson Property	-	2,830,000	-	2,830,000
Loss from investment in associate	261,301	(95,321)	(700,304)	(95,321)
Foreign exchange (loss) gain	(2,704)	12,772	(4,594)	13,002
Interest income	170,311	89,948	670,409	435,296
<b>Net (Loss) Gain for the year</b>	<b>\$(3,783,879)</b>	<b>\$(4,323,288)</b>	<b>\$(21,620,120)</b>	<b>\$(17,763,257)</b>
<b>Net Loss per Share – Basic and diluted</b>	<b>\$ (0.02)</b>	<b>\$ (0.02)</b>	<b>\$ (0.09)</b>	<b>\$ (0.09)</b>

#### **Three Months Ended December 31, 2024, compared to 2023**

The Company incurred a net loss of \$3,783,879 or \$0.02 per share for the three months December 31, 2024, compared to a net loss of \$4,323,288 or \$0.02 per share for the three months ended December 31, 2023. Changes in expenditures is primarily related to the following:

# GENERATION MINING

## Management's Discussion and Analysis

### For the Year Ended December 31, 2024

- **Acquisition, exploration and evaluation expenses** were \$1,022,338 for the three months ended December 31, 2024, compared to \$3,608,049 for the three months ended December 31, 2023. The decrease of \$2,585,711 is primarily related to the following:
  - a decrease of \$99,490 of environmental assessment and community consultation expenses which was primarily related to a decrease in the activity in 2024 resulting from the continued advancement of permitting and community agreements,
  - a decrease of \$2,347,870 in engineering costs due to the Company pausing, late in the first quarter of 2023, Engineering and Procurement Services pending increased visibility regarding the timing associated with the receipt of permits required for the commencement of construction and project financing.
- **Share-based compensation** was \$135,520 for the three months ended December 31, 2024, compared to \$167,048 for the three months ended December 31, 2023. Share-based compensation is a non-cash item and fluctuates period to period depending on the number of equity awards vested during the period.
- **Audit, legal and advisory fees** were \$75,900 for the three months ended December 31, 2024, compared to \$86,285 for the three months ended December 31, 2023. Not a material difference between periods.
- **Management and corporate administration** expenses were \$131,725 in the three months ended December 31, 2024, compared to \$nil for the three months ended December 31, 2023. The increase of approximately \$131,725 is the result of the reversal of executive bonuses recorded in 2023.
- **Shareholder and investor communications** costs were \$45,393 in the three months ended December 31, 2024, compared to \$41,057 in the three months ended December 31, 2023. Not a material difference between periods.
- **Interest expense** was \$61,728 in the three months ended December 31, 2024, compared to \$70,401 in the three months ended December 31, 2023. Interest expense results from the accretion of the Company's leases and right-of-use assets.
- **Flow-through share premium recovery** relates to settlement of the flow-through premium liability by incurring exploration expenditures.
- **Fair value gain and loss on financial liability** relates to the fair value adjustments of the financial liability associated with the stream arrangement. See *Project Financing – Phase 1 Stream Financing* section of this MD&A for further detail.
- **Interest income** results from interest earned on short term guaranteed investment certificates.

#### Year Ended December 31, 2024, compared to 2023

The Company incurred a net loss of \$21,620,120 or \$0.09 per share for the year ended December 31, 2024, compared to a net loss of \$17,763,257 or \$0.09 per share for the year ended December 31, 2023. The decrease of expenditures is primarily related to the following:

- **Acquisition, exploration and evaluation expenses** were \$8,526,242 for the year ended December 31, 2024 compared to \$14,864,406 for the year ended December 31, 2023. The decrease of \$6,338,164 is primarily related to the following:
  - a decrease of \$1,523,532 of environmental assessment and community consultation expenses which was primarily related to a decrease in the activity in 2024 resulting from the continued advancement of permitting and community agreements,

# GENERATION MINING

## Management's Discussion and Analysis

### For the Year Ended December 31, 2024

- a decrease of \$6,289,088 in engineering costs due to the Company pausing, late in the first quarter of 2023, Engineering and Procurement Services pending increased visibility regarding the timing associated with the receipt of permits required for the commencement of construction and project financing offset by the engagement in the third quarter of a construction-focused engineering firm to support design optimizations for the Project
- an increase in exploration and site costs of \$1,385,773 as a result of the ongoing exploration program which is funded by the proceeds from a flow-through financing completed in November 2023.
- **Share-based compensation** was \$1,228,121 for the year ended December 31, 2024, compared to \$1,082,240 for the year ended December 31, 2023. Share-based compensation is a non-cash item and fluctuates period to period depending on the number of equity awards vested during the period.
- **Audit, legal and advisory fees** were \$296,056 for the year ended December 31, 2024, compared to \$1,736,983 for the year ended December 31, 2023. The decrease of approximately \$1,440,927 is the result of a decrease of project financing advisory and legal expenditures.
- **Management and corporate administration** expenses were \$1,180,964 in the year ended December 31, 2024, compared to \$917,860 for the year ended December 31, 2023. The increase of approximately \$263,104 is the result of the timing and amount of executive bonuses recorded, but not yet granted.
- **Shareholder and investor communications** costs were \$246,168 in the year ended December 31, 2024, compared to \$507,171 in the year ended December 31, 2023. The decrease of approximately \$261,003 is the result of a decrease of marketing expenditures.
- **Interest expense** was \$287,957 in the year ended December 31, 2024, compared to \$381,248 in the year ended December 31, 2023. Interest expense results from the accretion of the company's leases and right-of-use assets.
- **Flow-through share premium recovery** relates to settlement of the flow-through premium liability by incurring exploration expenditures.
- **Fair value gain on the financial liability** relate to the fair value adjustments of the financial liability associated with the stream arrangement. See *Project Financing – Phase 1 Stream Financing* section of this MD&A for further detail.
- **Interest income** results from interest earned on short term guaranteed investment certificates.

#### Acquisition, Exploration and Evaluation Expenditures

Below are the acquisition, evaluation and exploration expenditures for the year ended December 31, 2024, compared with the equivalent period in 2023.

	Year Ended December 31	
	2024	2023
Davidson	\$ -	\$ 133,286
Marathon	8,526,242	14,731,120
<b>Total mineral property expenditures</b>	<b>\$ 8,526,242</b>	<b>\$ 14,864,406</b>

# GENERATION MINING

## Management's Discussion and Analysis For the Year Ended December 31, 2024

The following table displays the cumulative mineral property expenditures by project as at December 31, 2024 and 2023.

	Cumulative December 31, 2023	Acquisition	Exploration and Evaluation	Cumulative December 31, 2024
Darnley Bay	\$576,941	\$ -	\$ -	\$576,941
Davidson	848,304	-	-	848,304
Marathon	91,881,330	-	8,526,242	100,407,572
<b>Total expenditures</b>	93,306,575	-	8,526,242	101,832,817
Mineral properties acquired	1,216,848	-	-	1,216,848
<b>Total mineral property expenditures</b>	94,523,423	-	8,526,242	103,049,665

	Cumulative December 31, 2022	Acquisition	Exploration and Evaluation	Cumulative December 31, 2023
Darnley Bay	\$576,941	\$ -	\$ -	\$576,941
Davidson	715,018	133,286	-	848,304
Marathon	77,150,210	-	14,731,120	91,881,330
Total expenditures	78,442,169	\$133,286	\$14,731,120	93,306,575
Mineral properties acquired	1,216,848	-	-	1,216,848
<b>Total mineral property expenditures</b>	79,659,017	133,286	14,731,120	94,523,423

## SUMMARY OF QUARTERLY RESULTS

Three Months Ended	Dec 31 2024	Sep 30 2024	Jun 30 2024	Mar 31 2024
Acquisition, exploration and evaluation	\$1,022,338	\$1,872,651	\$ 2,994,372	\$ 2,636,881
General and administration	336,463	513,085	570,957	679,570
Share-based payments	135,520	168,136	758,349	166,115
Operating loss	(1,494,321)	(2,553,872)	(4,323,678)	(3,482,566)
Gain on disposition of property	-	-	-	-
Flow-through share premium recovery	45,456	69,536	179,984	92,144
Gain on lease modification	-	-	253,347	-
Loss from investment in associate	261,301	(551,327)	(199,395)	(210,883)
Fair value on financial liability	(2,763,922)	(4,013,821)	(3,692,530)	98,612
Foreign exchange gain (loss)	(2,704)	11	(622)	(1,280)
Interest income	170,311	106,052	194,659	199,387
Net and comprehensive loss for the period	(3,783,879)	(6,943,421)	\$(7,588,235)	\$(3,304,586)
Basic and diluted loss per share	\$(0.02)	\$(0.03)	\$(0.03)	\$(0.01)
Weighted average number of common shares outstanding	236,992,106	236,619,943	236,098,507	236,053,408

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## Management's Discussion and Analysis For the Year Ended December 31, 2024

Three Months Ended	Dec 31 2023	Sep 30 2023	Jun 30 2023	Mar 31 2023
Acquisition, exploration and evaluation	\$ 3,608,049	\$2,198,892	\$3,077,666	\$5,979,799
General and administration	221,516	758,180	1,492,223	1,193,953
Share-based payments	167,048	593,971	158,167	151,762
Operating loss	(3,996,613)	(3,551,043)	(4,728,056)	(7,325,514)
Gain on disposition of property	2,830,000	-	-	-
Loss from investment in associate	(95,321)	-	-	-
Fair value on financial liability	(3,164,074)	1,677,595	(864,365)	1,005,835
Foreign exchange gain (loss)	12,772	(4,071)	2,228	1,333
Interest income	89,948		63,228	149,403
		132,718		
Net and comprehensive loss for the period	\$(4,323,288)	\$(1,744,801)	\$(5,526,225)	\$(6,168,943)
Basic and diluted loss per share	\$(0.02)	\$(0.01)	\$(0.03)	\$(0.03)
Weighted average number of common shares outstanding	206,930,191	183,517,408	183,365,509	181,517,408

The Company's operating losses are driven mainly by the extent and cost of the company's acquisition, evaluation and exploration activities. The significant changes over the most recent eight completed quarters are outlined below.

- Acquisition and evaluation expenditures have decreased from approximately \$6.0 million during the third quarter of 2023 to approximately \$1.0 million during the fourth quarter of 2024. Expenditures have decreased due to a pause in Engineering and Procurement Services pending increased visibility regarding the timing associated with the receipt of permits required for the commencement of construction and project financing.
- General and administrative expenses have been consistently decreasing as the Company focuses on reducing expenditures pending more visibility on permitting and project financing.
- Share-based payments are a non-cash item model and fluctuates period to period depending on the number of equity awards vested.
- Fair value gain and loss on the financial liability relate to the fair value adjustments of the financial liability associated with the stream arrangement. See *Project Financing – Phase 1 Stream Financing* section of this MD&A for further detail.
- Loss from investment in associate and gain on disposition of property relate to the sale of the Davidson Property to Moon River. See *Investment in Associate of the MD&A for further detail*.

## FINANCIAL POSITION

### Assets

As at December 31, 2024, the Company had total assets of \$8,349,514 (December 31, 2023 - \$20,222,774) which consisted of current assets of \$6,001,435 (December 31, 2023 - \$16,719,415) and non-current assets of \$2,348,079 (December 31, 2023 - \$3,503,359).

Current assets as at December 31, 2024, consist primarily of cash and cash equivalents of \$5,525,287 (December 31, 2023 - \$16,457,963), accounts receivable of \$254,858 (December 31, 2023 - \$124,890) and prepaids of \$221,290 (December 31, 2023 - \$136,562). Cash is held in Canadian dollar denominated accounts and short term guaranteed investment certificates. Accounts receivable is mainly comprised of GIC interest income receivable and HST receivable.

# GENERATION MINING

## Management's Discussion and Analysis For the Year Ended December 31, 2024

Non-current assets as at December 31, 2024, consist of restricted cash held as security for the corporate office lease, land and buildings acquired through the acquisition of the Marathon Property, right of use assets, security deposits, and an investment in Moon River. Security deposits are related to the Ministry of Mines closure plan.

### Liabilities

As at December 31, 2024, the Company had total liabilities of \$58,130,566 (December 31, 2023 - \$49,611,827) which consisted of current liabilities of \$2,956,330 (December 31, 2023 - \$4,792,818) and long-term liabilities of \$55,174,236 (December 31, 2023 - \$44,819,009).

Current liabilities as at December 31, 2024, consist mainly of accounts payable and accrued liabilities of \$1,417,113 (December 31, 2023 - \$1,946,506) and short-term lease liability of \$1,539,217 (December 31, 2023 - \$2,459,192). Accounts payable relate to expenditures incurred to advance the Marathon Property. Short-term lease liability is related to leased assets which consist of the office lease and the Valard Camp.

Long-term liabilities as at December 31, 2024, consist of a \$55,174,236 (December 31, 2023 - \$44,819,009) which consisted of precious metal purchase agreement with Wheaton Precious Metals Corp. of \$55,103,411 (December 31, 2023 - \$44,731,750) and long-term lease liability of \$70,825 (December 31, 2023 - \$87,259). The precious metals purchase agreement is further described under *Project Financing – Phase 1 Stream Financing* section of this MD&A. Long term lease liability is related to leased assets which consist of vehicles.

## LIQUIDITY AND GOING CONCERN UNCERTAINTY

The Company relies on equity, metal streams and potentially debt or other structured financings to fund its acquisition, evaluation, and exploration activities, cover administrative expenses and to meet its obligations as they become due.

Comparable to many exploration and early-stage development companies, the Company relies on financings to fund its exploration, development and acquisition activities. The Company had a working capital surplus of \$3,045,105 at December 31, 2024 (December 31, 2023 surplus - \$11,926,597); had not yet achieved profitable operations; had accumulated losses of \$136,208,661 at December 31, 2024; (December 31, 2023 - \$114,588,541); and expects to incur further losses in the development of its business. The Company does not have adequate cash resources to fund its operations over the next twelve months and will require additional financing in order to conduct its planned work programs on its mineral properties, meet its ongoing levels of corporate overhead and discharge its liabilities as they come due.

The Company's main source of liquidity is its cash. These funds are primarily used to finance working capital, exploration and evaluation expenditures, capital expenditures, and acquisitions. The Company manages its liquidity risk by regularly monitoring its cash flows from operating activities and holding adequate amounts of cash. Cash is held on deposit in guaranteed investment certificates with a major Canadian chartered bank. The Company has also made financial commitments which are outlined elsewhere in this MD&A.

# GENERATION MINING

## Management's Discussion and Analysis For the Year Ended December 31, 2024

Cash used in operating activities during the year ended December 31, 2024, was \$10,179,651 compared with \$16,064,453 in the same period in 2023. The cash used in operations in both periods relates mainly to the acquisition, exploration and evaluation of the Marathon Property, and corresponding expenditures in audit, legal and advisory fees, investor communications expenses, general and administrative expenses.

Cash used in investing activities was \$23,517 during the year ended December 31, 2024, compared to cash used in investing activities of \$116,235 in the same period in 2023. Cash used by investing activities in the current period was for the purchase of equipment.

Cash used in financing activities during the year ended December 31, 2024, amounted to \$729,508, compared to cash provided from financing activities of \$13,871,860 in the prior period. Financing activities in the prior period consisted of proceeds from the exercise of stock options and issuance of units (See Outstanding Security Data section below for further details).

### November 2023 Equity Financing

On November 21, 2023, the Corporation completed a "bought deal" prospectus offering consisting of the sale of: (i) 42,858,000 units at a price of \$0.28 per unit; and (ii) 9,678,000 flow-through units at a price of \$0.32 per unit for aggregate gross proceeds of approximately \$15.1 million (the "**November 2023 Offering**"). The net proceeds to the Corporation from the November 2023 Offering were approximately \$13.8 million after deducting the payment of the fees and expenses. The table below sets out the proposed use of proceeds from the November 2023 Offering (excluding working capital and general corporate purposes), the actual expenditures incurred as of December 31, 2024, the anticipated timing to complete those expenditures, and an explanation of variances and the impact of the variances on the Corporation's ability to achieve its business objectives and milestones:

Activity or Nature of Expenditure	Estimated Proceeds From November 2023 Offering	Actual Amount of Proceeds Expended as at December 31, 2024	Estimated Anticipated Timing of Completion of Expenditures	Explanation of Variances and Impact on Business Objectives and Milestones
Project Engineering, Design, Procurement, and Execution	\$5,048,725	\$4,686,876	Q1 to Q3 2025	No significant variances to the intended use of proceeds from the November 2023 Offering.
Environmental Permitting, Monitoring, and Community Consultation	\$3,862,291	\$3,186,418	Q1 to Q3 2025	No significant variances to the intended use of proceeds from the November 2023 Offering.
Exploration and Marathon Site Costs	\$3,096,960	\$3,096,960	Complete	No significant variances to the intended use of proceeds from the November 2023 Offering.



# GENERATION MINING

Management's Discussion and Analysis  
For the Year Ended December 31, 2024

## CAPITAL RESOURCES

The Company does not have any debt or credit facilities with financial institutions.

At present, the Company's operations do not generate cash in-flows and its financial success is dependent on management's ability to discover economically viable mineral deposits. The mineral exploration process can take many years and is subject to factors that are beyond the Company's control. To finance the Company's exploration programs, detailed engineering, environmental assessment and to cover administrative and overhead expenses, the Company raises money through equity, debt and metal stream financings. Many factors influence the Company's ability to raise funds, including the health of the resource market, the climate for mineral exploration investment, the Company's track record, and the experience and caliber of its management. Actual funding requirements may vary from those planned due to a number of factors, including the progress of exploration and development activities.

Management believes it will be able to raise capital as required in the long term but recognizes there will be risks involved that may be beyond their control. If the Company is unable to raise sufficient financing, it may need to scale back its intended operational programs and its other expenses. Other than as discussed herein, the Company is not aware of any trends, demands, commitments, events or uncertainties that may result in its liquidity either materially increasing or decreasing at present or in the foreseeable future, other than general market conditions, which are uncertain for junior exploration companies. Material increases or decreases in the Company's liquidity will be substantially determined by the success or failure of its exploration and development programs, as well as its continued ability to raise capital.

## MARATHON PROPERTY ACQUISITION

On January 26, 2022, Generation completed the acquisition of 100% of the Marathon Project whereby Generation issued 21,759,332 common shares of the Company to Stillwater, a wholly owned subsidiary of Sibanye-Stillwater. Stillwater currently holds 32,813,127 common shares of the Company, representing a 13.9% in Generation

# GENERATION MINING

Management's Discussion and Analysis  
For the Year Ended December 31, 2024

## OTHER MINERAL PROPERTIES

In addition to the Marathon Property, the Company holds contractual rights related to the following mineral properties as of December 31, 2024:

**Darnley Bay, Northwest Territories:** The Company held the exclusive rights to a mineral concession covering the Inuvialuit Settlement Region's lands, where the Inuvialuit hold the mineral and surface rights, through an exploration and development agreement with the Inuvialuit Regional Corporation (the "IRC"). On January 27, 2023, the Company sold its interest in the Darnley Bay mineral concession to Elton Resources ("Elton") under an Asset Purchase Agreement ("APA"), subsequently amended (the "Amended APA"). Pursuant to the Amended APA, \$150,000 was remitted by Elton to the IRC and Elton entered into a new exploration and development agreement with the IRC. Under the Amended APA, Elton is to complete a Going Public Transaction ("GPT") by September 30, 2025. In connection with the GPT, the Company is to be paid the greater of \$4 million in Elton common shares and 16% of the fully-diluted Elton common shares immediately following the GPT. In addition, upon completion of the GPT the Company is to be paid \$425,000 in cash and \$425,000 in Elton common shares. All of the Elton common Shares will be priced at the same price as the common shares to be issued by Elton under the GPT. If Elton does not complete the GPT by September 30, 2025, the mineral concession interest is to revert back to the Company.

## RELATED PARTY TRANSACTIONS

Key management includes the Company's directors, officers and any employees with authority and responsibility for planning, directing, and controlling the activities of an entity, directly or indirectly. Compensation awarded to key management includes the following:

	Year ended December 31,	
	2024	2023
Salaries and bonuses	\$ 1,536,828	\$ 2,033,350
Share-based payments - options	174,177	221,771
Share-based payments - RSUs and DSUs	836,123	613,257
<b>Total compensation to key management</b>	<b>\$ 2,547,128</b>	<b>\$ 2,868,378</b>

As at December 31, 2024, accrued compensation includes \$55,793 (December 31, 2023 - \$ 37,493) due to key management of the Company.

On November 15, 2023, the Company sold its rights and interests in the Davidson Property to Moon River. At the time of the transaction, Moon River had two directors in common with the Company.

# GENERATION MINING

## Management's Discussion and Analysis For the Year Ended December 31, 2024

### OUTSTANDING SECURITY DATA

#### Common Shares

The following table summarizes the continuity of common shares for the year ended December 31, 2024, and as at March 31, 2025:

	Number of shares	\$
<b>Balance as at December 31, 2022</b>	<b>180,417,408</b>	<b>66,674,524</b>
Issued for public offering <sup>(1)</sup>	52,536,000	12,845,797
Shares issued for exercise of options	3,100,000	909,000
<b>Balance as at December 31, 2023</b>	<b>236,053,408</b>	<b>80,429,321</b>
Shares issued upon redemption of RSUs and DSUs	938,698	304,266
<b>Balance as at December 31, 2024 and March 31, 2025</b>	<b>236,992,106</b>	<b>80,733,587</b>

#### Warrants

The following table summarizes the continuity of warrants for the year ended December 31, 2024, and as at March 31, 2025:

	Number of warrants
<b>Outstanding, December 31, 2022</b>	-
Warrants issued <sup>(1)</sup>	10,507,200
<b>Outstanding, December 31, 2023, December 31, 2024 and March 31, 2025</b>	<b>10,507,200</b>

- (1) On November 21, 2023, the Company closed a financing that consisted of 42,858,000 units ("Units") in the capital of the Company at a price of \$0.28 per Unit, and 9,678,000 flow-through units ("FT Units") in the capital of the Company at a price of \$0.32 per FT Unit for aggregate gross proceeds of \$15,097,200 ("Offering"). The total share issue cost was \$1,233,851 which included a 6% underwriting fee. The flow-through share premium was \$387,120. Each Unit and each FT Unit consisted of one common share in the capital of the Company and one-fifth of one common share purchase warrant of the Company. Each Warrant is exercisable to acquire one Common Share at a price of \$0.50 for a period of 36 months from the closing date of the Offering, November 21, 2023. The fair value of the warrants have an estimated grant date fair value of \$630,432 which was estimated using the Black Scholes option pricing model and the following assumptions: Risk-free interest rate 4.22%, expected volatility of 61.86%, dividend yield nil, expected life 3 years

#### Flow-through Premium Liability

Flow-through premium liability consists of the liability portion of the flow-through shares issued. The following is a continuity schedule of the liability portion of the flow-through share issuances.

<b>Balance, December 31, 2022</b>	-
Liability incurred on flow-through shares issued November 2023	\$ 387,120
<b>Balance, December 31, 2023</b>	<b>\$ 387,120</b>
Settlement of flow-through premium liability by incurring expenditures	(387,120)
<b>Balance, December 31, 2024</b>	<b>\$ -</b>

On November 21, 2023, the Company issued 9,678,000 flow-through shares of the Company at a price of \$0.32 per share. The premium paid by investors was calculated as \$0.04 per share. Accordingly, \$387,120 was recorded as flow-through premium liability.

As at December 31, 2024, the Company had a remaining commitment to incur exploration expenditures of approximately \$nil (December 31, 2023 - \$3,096,960) in relation to its flow-through share financing.

# GENERATION MINING

## Management's Discussion and Analysis For the Year Ended December 31, 2024

### Stock Options and other Equity Incentive Awards

On May 9, 2018, the Company adopted an incentive Stock Option Plan (the "Plan"). The Plan was amended in July 2020. The Company subsequently adopted an Omnibus Equity Incentive plan (the "Equity Plan") on May 11, 2023, which received shareholder approval on June 28, 2023. With the approval of the Equity Plan, the Option Plan was terminated and all of the issued and outstanding stock options granted under the Option Plan are now governed by the Equity Plan.

Under the Equity Plan, the Company can issue stock options ("Options"), deferred share units ("DSUs"), restricted share units ("RSUs") and performance share units ("PSUs", and collectively with Options, DSUs and PSUs, the "Awards"), as applicable, to directors, employees and consultants in accordance with the terms of the Equity Plan. The maximum number of common shares issuable under the Equity Plan will not exceed 10% of the issued and outstanding common shares from time to time. Limits have also been set in respect of the maximum number of Awards that may be issued to insiders at any time, as well as within any one-year period. The Equity Plan is a rolling plan, therefore, the number of common shares that have been reserved for issuance under the Equity Plan will increase when the Company's issued and outstanding common shares increase. The Awards are non-assignable and non-transferable, except upon death.

The following table sets forth the continuity of outstanding stock options for the year ended December 31, 2024, and as at March 31, 2025:

	<b>Number of options</b>
<b>Outstanding, December 31, 2022</b>	<b>16,775,000</b>
Options granted	602,059
Options exercised	(3,100,000)
Options forfeited	(75,000)
<b>Outstanding, December 31, 2023</b>	<b>14,202,059</b>
Options granted	2,362,400
Options forfeited	(6,325,000)
<b>Outstanding, December 31, 2024 and March 31, 2025</b>	<b>10,239,459</b>

The fair value of options granted under the Plan is measured on the date of grant using the Black-Scholes pricing model and expensed to net income (loss) using the following inputs and assumptions at the measurement date:

Date	Number of Options	Exercise Price (\$)	Market Price (\$)	Expected Volatility (%) <sup>(1)</sup>	Risk-free Interest Rate (%)	Expected Life (yrs)/Dividend Yield %	Fair Value of Options (\$)	Vesting
05-Apr-23	602,059	0.58	0.57	64	3.32	3 / 0%	150,515	1/3 <sup>rd</sup> vesting
04-Apr-24	2,362,400	0.29	0.27	74	3.93	3 / 0%	307,112	1/3 <sup>rd</sup> vesting

(1) Based on the Company's historical volatility.

# GENERATION MINING

## Management's Discussion and Analysis For the Year Ended December 31, 2024

As at December 31, 2024, stock options carry exercise prices and terms to maturity as follows:

Exercise Price (\$)	Options Granted	Options Exercisable	Expiry Date	Remaining Contractual Outstanding Life (years)
0.65	500,000	500,000	February 5, 2025	0.1
0.85	900,000	900,000	February 18, 2025	0.1
0.45	750,000	750,000	March 18, 2025	0.2
0.99	975,000	975,000	April 13, 2025	0.3
0.52	2,450,000	2,450,000	April 20, 2025	0.3
0.52	350,000	350,000	July 19, 2025	0.5
0.64	400,000	400,000	August 2, 2025	0.6
0.52	450,000	450,000	November 6, 2025	0.8
1.00	500,000	500,000	March 8, 2026	1.2
0.58	602,059	401,373	April 5, 2026	1.3
0.29	2,362,400	787,467	April 4, 2027	2.3
<b>0.57<sup>(1)</sup></b>	<b>10,239,459</b>	<b>8,463,840</b>		<b>0.9<sup>(1)</sup></b>

(1) Weighted average

The stock-based compensation expense relating to stock options for the year ended December 31, 2024 was \$321,387 (December 31, 2023 – \$468,983)

On August 28, 2023, the Company granted Restricted Share Units (“RSUs”) to executives and granted Deferred Share Units (“DSUs”) to non-executive directors. The total number of RSUs granted were 1,737,500 and have a three-year vesting term commencing on the grant date. The total number of DSUs granted were 1,250,200 and are fully vested at the grant date and become payable upon retirement of the directors. On April 4, 2024, the Company granted RSUs to executives and granted DSUs to non-executive directors. The total number of RSUs granted were 1,163,300 and have a three-year vesting term commencing on the grant date. The total number of DSUs granted were 1,637,800 and are fully vested at the grant date and become payable upon retirement of the directors. The fair value of the RSUs and DSUs awarded to executives and non-executive directors is determined as of the date of grant and recognized as share-based compensation expense over the vesting period of the equity instruments with a corresponding increase to reserve for warrants and share based payments. The fair value of RSUs and DSUs is the market value of the underlying shares as of the date of grant.

The continuity of outstanding RSUs for the year ended December 31, 2024 is as follows:

	Number of RSUs	Weighted Average Grant Price
<b>Outstanding, December 31, 2022</b>	-	-
RSUs granted	1,737,500	<b>0.38</b>
<b>Outstanding, December 31, 2023</b>	<b>1,737,500</b>	<b>0.38</b>
RSUs granted	1,163,300	<b>0.29</b>
RSUs redeemed	(482,698)	<b>0.38</b>
RSUs forfeited	(289,400)	<b>0.38</b>
<b>Outstanding, December 31, 2024 and March 31, 2025</b>	<b>2,128,702</b>	<b>0.33</b>

# GENERATION MINING

## Management's Discussion and Analysis For the Year Ended December 31, 2024

The continuity of outstanding DSUs for the year ended December 31, 2024 is as follows:

	Number of DSUs	Weighted Average Grant Price
<b>Outstanding, December 31, 2022</b>	-	-
DSUs granted	1,250,200	<b>0.38</b>
<b>Outstanding, December 31, 2023</b>	<b>1,250,200</b>	<b>0.38</b>
DSUs granted	1,637,800	<b>0.29</b>
DSUs redeemed	(456,000)	<b>0.33</b>
<b>Outstanding, December 31, 2024 and March 31, 2025</b>	<b>2,432,000</b>	<b>0.33</b>

The stock-based compensation expense relating to RSUs and DSUs for the year ended December 31, 2024 was \$906,734 (December 31, 2023 – \$613,257).

## FINANCIAL RISK MANAGEMENT

The Company manages its exposure to a number of different financial risks arising from operations as well as from the use of financial instruments, including market risks (foreign currency exchange rate, interest rate and other price risk), credit risk and liquidity risk, through its risk management strategy. The objective of the strategy is to support the delivery of the Company's financial targets while protecting its future financial security and flexibility. Financial risks are primarily managed and monitored through operating and financing activities. The Company does not use derivative financial instruments. The financial risks are evaluated regularly with due consideration to changes in key economic indicators and to up-to-date market information. The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

### Credit Risk

Credit risk is the financial risk of non-performance of a contracted counter party. The Company's credit risk is primarily attributable to cash and receivables. The Company reduces its credit risk by maintaining its cash with a Canadian chartered bank. The Company's maximum exposure to credit risk as at December 31, 2024 is the carrying value of cash and receivables. The credit risk on receivables is deemed low as the majority is related to federal government refunds.

### Liquidity Risk

Liquidity risk encompasses the risk that the Company cannot meet its financial obligations in full. The Company's main source of liquidity is its cash. These funds are primarily used to finance working capital, exploration and evaluation expenditures, capital expenditures, and acquisitions. The Company manages its liquidity risk by regularly monitoring its cash flows from operating activities and holding adequate amounts of cash. As at December 31, 2024, the Company has current assets of \$6,001,435 (December 31, 2023 - \$16,719,415) to cover current liabilities of \$2,956,330 (December 31, 2023 - \$4,792,818). The current assets include cash, receivables, prepaid expenses and security deposits. The Company also manages liquidity risk on the basis of expected maturity dates. The following table analyzes financial liabilities by remaining contractual maturity (contractual and undiscounted cash flows).

# GENERATIONMINING

## Management's Discussion and Analysis

For the Year Ended December 31, 2024

	Undiscounted lease liability – base contract	Undiscounted lease liability – operating costs	Accounts payable and accrued liabilities	Total
Less than 1 year	\$ 1,747,992	\$ 25,581	\$ 1,417,113	\$ 3,190,686
1-5 years	7,051	-	-	7,051
<b>Balance at December 31, 2024</b>	<b>\$ 1,755,043</b>	<b>\$ 25,581</b>	<b>\$ 1,417,113</b>	<b>\$ 3,197,737</b>

### **Market Risk**

Market risk is the risk of loss that may arise from changes in market factors such as interest rate, foreign exchange rates, and commodity and equity prices affecting its cash and cash equivalents, and receivables.

### **Foreign Currency Risk**

Foreign currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of a change in foreign exchange rates. The Company has no significant exposure to foreign currency exchange risk as it has no significant transaction balances denominated in a foreign currency.

### **Interest Rate Risk**

Interest rate risk is the risk borne by an interest-bearing asset or liability as a result of fluctuations in interest rates. The Company has no significant exposure to interest rate risk as it has no material interest bearing assets or liabilities. Lease liabilities are calculated using a fixed rate and therefore, there is no significant risk.

### **Other Price Risk**

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices, whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment.

### **Precious Metal Purchase Agreement Fair Value Risk**

The Company has a Precious Metal Purchase Agreement ("PMPA") with Precious Metals Corp. ("Wheaton"). The Company is subject to movements in the fair value measurement of the financial liability. The movements in fair value during the period can be material.

### **Fair Value**

The carrying value of cash and cash equivalents, restricted cash and cash equivalents, receivables, accounts payable and accrued liabilities and lease liabilities are considered to be representative of their fair value due to their short-term nature.

Financial liability associated with the Company's precious metal purchase agreement is recorded at fair value and classified as Level 3 in the fair value hierarchy as some of the inputs do not have an observable or corroborated market data. The fair value of the stream obligation is calculated using the risk-free interest rate derived from the Bank of Canada long term treasury rate, consensus metal prices, company specific credit spread based on various debt term sheets received and expected gold and platinum ounces

# GENERATION MINING

## Management's Discussion and Analysis For the Year Ended December 31, 2024

to be delivered from the current life of mine plan for the Marathon Project. See note 14 for further details.

### OFF-BALANCE SHEET ARRANGEMENTS

As at December 31, 2024, the Company did not have any off-balance sheet items.

### DIVIDENDS

The Company has neither declared nor paid any dividends on its common shares. The Company intends to retain its earnings, if any, to finance growth and expand its operation and therefore does not anticipate paying any dividends on its common shares in the foreseeable future.

### CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, and contingent liabilities at the date of the financial statements and reporting amounts of revenues and expenses during the reporting period. Estimates and assumptions are continually evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes may differ materially from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are generally recognized in the period in which the estimates are revised.

Our significant judgments, estimates and assumptions are disclosed in note 3 of the audited consolidated financial statements for the year ended December 31, 2024.

### ACCOUNTING POLICIES AND BASIS OF PRESENTATION

The Company's accounting policies are disclosed in note 3 of the Company's audited consolidated financial statements for the year ended December 31, 2024.

### NON-IFRS MEASURES

The Company has included certain financial measures in this news release, including initial capital cost, preproduction revenues, operating costs, AISC, and Pre-Tax and After-Tax Cash Flows, which are not measures recognized under IFRS and do not have a standardized meaning. These non-IFRS financial measures are included in this document because these statistics are measures that management will use to monitor future financial performance, and to plan and assess the overall effectiveness and efficiency of future mining operations. The Company does not have historical non-IFRS financial measures nor historical comparable measures under IFRS, and therefore the foregoing prospective non-IFRS financial measures may not be reconciled to the nearest comparable measures under IFRS. Non-IFRS measures do not have any standardized meaning prescribed under IFRS, and therefore, they may not be comparable to similar measures employed by other companies. The data presented is intended to provide additional information and should not be considered in isolation or as a substitute for measures prepared in accordance with IFRS.



# GENERATION MINING

## Management's Discussion and Analysis For the Year Ended December 31, 2024

Non-IFRS performance measures used herein are defined as follows:

- Initial Capital includes all costs incurred from the effective date of the 2025 FS (excluding historical sunk costs) until the point where commercial production is achieved, including expenses related to engineering, equipment purchase and installation, process plant and mine infrastructure construction, and any other costs associated with putting the Project into operations.
- Preproduction Revenue includes revenue generated until commercial production is achieved, net of related off-site costs (Transport, Smelter, and Royalties) and working capital adjustments. See Economic Analysis, above, for additional information on the metal price assumptions used in the 2025 FS for calculating revenues
- Operating Costs includes mining, processing, general and administrative and other, concentrate transportation costs, treatment and refining charges, and royalties. Costs related to the Wheaton PMPA are excluded.
- AISC includes Operating Costs, closure and reclamation costs, and sustaining capital. Costs related to the Wheaton PMPA are not included.
- Pre-tax Cash Flow includes total revenue less Operating Costs, working capital adjustments, equipment financing, initial capital, sustaining capital, and closure costs. Costs related to the Wheaton PMPA are included.
- After-tax Cash Flow includes Pre-tax Cash Flow less income taxes payable.

The Marathon Project is a polymetallic deposit. For purposes of estimating the Company's anticipated costs and future financial performance, the Company discloses certain financial measures herein based on estimates of future palladium equivalent ("PdEq") and copper equivalent ("CuEq") metal production. The Company's estimated PdEq and CuEq are calculated using the payable metals estimates derived from the Company's LOM, as follows:

- Palladium Equivalent ounces uses the formula  $PdEq\ oz = Pd\ oz + (Cu\ lb \times 4.00\ US\$/lb + Pt\ oz \times US\$950/oz + Au\ oz \times US\$2000/oz + Ag\ oz \times US\$24.00/oz) / US\$1525\ Pd/oz$ .
- Copper Equivalent pounds uses the formula  $CuEq\ lbs = Cu\ lbs + (Pd\ oz \times US\$1,525/oz + Pt\ oz \times US\$950/oz + Au\ oz \times US\$2000/oz + Ag\ oz \times US\$24.00/oz) / US\$4.00\ Cu/lb$ .

## RECENT ACCOUNTING PRONOUNCEMENTS

Certain new accounting standards and interpretations have been published that are either applicable in the current year or not mandatory for the current period. We have assessed these standards, including Amendments to IAS 1 – Non-current Liabilities with Covenants, and determined they do not have a material impact on the Company in the current reporting period. No standards have been early adopted in the current period.

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## INTERNAL CONTROL OVER FINANCIAL REPORTING

The President and Chief Executive Officer and Chief Financial Officer of the Company are responsible for designing internal controls over financial reporting or causing them to be designed under their supervision in order to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. The Company's internal control framework was designed based on the Internal Control - Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission.

There was no change in the Company's internal controls over financial reporting that occurred during the year ended December 31, 2024, that has materially affected, or is reasonably likely to materially affect, the Company's internal controls over financial reporting.

## DISCLOSURE CONTROLS AND PROCEDURES

Disclosure controls and procedures have been designed to provide reasonable assurance that all relevant information required to be disclosed by the Company is accumulated and communicated to senior management as appropriate to allow timely decisions regarding required disclosure. The Company's President and Chief Executive Officer and Chief Financial Officer have concluded, based on their evaluation of the design of the disclosure controls and procedures, that as of December 31, 2024, the Company's disclosure controls, and procedures have been designed to provide reasonable assurance that material information is made known to them by others within the Company.

## LIMITATIONS OF CONTROLS AND PROCEDURES

The Company's management, including the Chief Executive Officer and President and Chief Financial Officer, believe that any internal controls over financial reporting and disclosure controls and procedures, no matter how well designed, can have inherent limitations. Therefore, even those systems determined to be effective can provide only reasonable assurance that the objectives of the control system are met.

## RISKS AND UNCERTAINTIES

The operations of the Company are speculative due to the high-risk nature of its business, which is the acquisition, financing, exploration and development of mining properties. The risk of financial resources has been further amplified by the COVID-19 pandemic which had a significant impact on global economies and financial markets resulting in supply chain delays, inflationary pressures and fluctuations in commodity prices. Should depressed market conditions continue, it may be difficult or impossible for the Company to obtain the required financing to complete its objectives. Failure to obtain financing could result in delay or postponement of further development of the Company's Marathon Project and other properties. These risk factors could materially affect the Company's future operating results and could cause actual events to differ materially from those described in forward-looking information relating to the Company. Accordingly, any investment in securities of the Company is speculative and investors should not invest in securities of the Company unless they can afford to lose their entire investment.

The Company has no history of earnings, has earned no revenue since commencing operations and has no source of operating cash flow. As a result, the Company may be required to seek additional sources of

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debt and equity financing in the near future. Although the Company has been successful to date in financing its activities through the sale of equity securities and the Wheaton PMPA, there can be no assurance that the Company will be able to obtain adequate financing in the future or that the commercial terms of such financing will be favourable. To obtain such financing, the Company may sell additional securities including, but not limited to, the Company's shares or some form of convertible security, the effect of which could result in substantial dilution to the equity interests of the Corporation's shareholders. The Company may also sell a part of its interest in an asset in order to raise capital.

Based on the Company's liquidity position as of the date of this MD&A, and in light of the Company's currently anticipated short-term financial commitments, management estimates that it will need additional financing to meet its current and future financial obligations in the near future. The Company is actively seeking such additional financing and is exploring other alternatives to support its short-term liquidity requirements, such as the deferral of payments for certain financial commitments, in order to continue advancing permitting and financing of the Marathon Project. However, there is no assurance that such financing or deferrals can be obtained in the limited time period required and in the quantum needed. There can be no certainty as to the ability of the Company to raise sufficient additional financing in order to continue to operate, and accordingly, there is a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

International conflicts and other geopolitical tensions and events, including war, military action, terrorism, trade disputes and international responses thereto have historically led to, and may in the future lead to, uncertainty or volatility in global commodity and financial markets and supply chains. Russia's invasion of Ukraine in February 2022 has led to sanctions being levied against Russia by the international community and may result in additional sanctions or other international action, any of which may have a destabilizing effect on commodity prices, supply chains and global economies more broadly. In October 2023, Israel and Hamas, the terrorist organization and current ruling political party in the Gaza Strip, engaged in a series of violent exchanges, primarily in southern Israel and the Gaza Strip. This has resulted in a significant increase in tension in the region and may have far reaching effects on the global economy. Volatility in commodity prices and supply chain disruptions may adversely affect the Corporation's business, financial condition and results of operations. The extent and duration of the current conflicts in the Ukraine and Israel and related international action cannot be accurately predicted at this time and the effects of such conflict may magnify the impact of the other risks identified in this MD&A, including those relating to commodity price volatility and global financial conditions. The outcome of these conflicts is uncertain, and these conflicts may escalate and may result in escalated tensions within and outside of Eastern Europe and the Middle East, respectively. This could result in significant disruption of supplies of oil and natural gas from the region and could cause a significant worldwide supply shortage of oil and natural gas and have a significant impact on worldwide prices of oil and natural gas. A lack of supply of energy and high prices of oil and natural gas could have a significant adverse impact on the world economy. The situation is rapidly changing and unforeseeable impacts, including on the Corporation's shareholders and counterparties on which the Corporation relies and transacts with, may materialize and may have an adverse effect on the Corporation's operations and trading price of the common shares.

In recent years, global financial markets have been characterized by extreme volatility impacting many industries, including the mining industry. Global financial conditions remain subject to sudden and rapid destabilizations in response to future economic shocks, as government authorities may have limited resources to respond to future crises. A sudden or prolonged slowdown in the financial markets or other economic conditions, including but not limited to, consumer spending, employment rates, business conditions, inflation, fuel and energy costs, consumer debt levels, lack of available credit, the state of the

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financial markets, interest rates and tax rates, may adversely affect the Corporation's growth and profitability. Future economic shocks may be precipitated by a number of causes, including, but not limited to, material changes in the price of oil and other commodities, the volatility of metal prices, governmental policies, geopolitical instability, war, terrorism, the devaluation and volatility of global stock markets and natural disasters. Any sudden or rapid destabilization of global economic conditions could impact the Corporation's ability to obtain equity or debt financing in the future on terms favorable to the Corporation or at all. In such an event, the Corporation's operations and financial condition could be adversely impacted.

For a comprehensive discussion of the risks faced by the Company please refer to the section entitled "Risk Factors" in the Company's AIF for the year ended December 31, 2024 and the following section entitled "Cautionary Note Regarding Forward Looking Information".

### CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION

This MD&A contains certain forward-looking information and forward-looking statements, as defined in applicable securities laws (collectively referred to herein as "forward-looking statements"). Forward-looking statements reflect current expectations or beliefs regarding future events or the Company's future performance. All statements other than statements of historical fact are forward-looking statements. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "continues", "forecasts", "projects", "predicts", "intends", "anticipates", "targets" or "believes", or variations of, or the negatives of, such words and phrases or state that certain actions, events or results "may", "could", "would", "should", "might" or "will" be taken, occur or be achieved, including statements relating to the Company's Feasibility Study and results therefrom (including NPV, IRR, capital and operating costs and other financial metrics), Mineral Resource and Mineral Reserve potential, exploration and development plans, or the timing of milestones, including public hearings, government approvals, receipt of permits, completion of definitive financing documentation and closing of the senior secured facility, for advancing construction of the Marathon Project. All forward-looking statements, including those herein, are qualified by this cautionary statement.

Although the Company believes that the expectations expressed in such statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those in the statements. There are certain factors that could cause actual results to differ materially from those in the forward-looking information. These include commodity price volatility, continued availability of capital and financing within the timing required by the Company and on terms acceptable to the Company, uncertainties involved in interpreting geological data, increases in capital and operating costs, timing for the receipt of regulatory and governmental approvals, procurement delays and supply chain disruptions, interest rate and currency risks, environmental compliance and changes in environmental legislation and regulation, the Company's relationships with First Nations communities, exploration successes, and general economic, market or business conditions, as well as those risk factors set out in the Company's AIF for the year ended December 31, 2024, the Feasibility Study and in the continuous disclosure documents filed by the Company on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca). Readers are cautioned that the risk factors and related uncertainties in the Company's Annual Information Form and Annual Management Discussion and Analysis for the year ended December 31, 2024, are not exhaustive of the factors that may affect forward-looking statements. Accordingly, readers should not place undue reliance on forward-looking statements.

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The forward-looking statements in this MD&A speak only as of the date of this MD&A or as of the date or dates specified in such statements.

Forward-looking statements are based on a number of assumptions which may prove to be incorrect, including, but not limited to, assumptions relating to: the availability of financing for the Company's operations; operating and capital costs; results of operations; the mine development and production schedule and related costs; the supply and demand for, and the level and volatility of commodity prices; timing of the receipt of regulatory and governmental approvals for development projects and other operations; the accuracy of Mineral Reserve and Mineral Resource Estimates, production estimates and capital and operating cost estimates; and general business and economic conditions.

Investors are cautioned that any such statements are not guarantees of future performance and actual results or developments may differ materially from those projected in the forward-looking information. For more information on the Company, investors are encouraged to review the Company's public filings on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca). The Company disclaims any intention or obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, other than as required by law.

## INFORMATION CONCERNING ESTIMATES OF MINERAL RESERVES AND RESOURCES

The Mineral Reserve and Mineral Resource estimates in this MD&A have been disclosed in accordance with NI 43-101, which differs from the requirements of the U.S. Securities and Exchange Commission (the "SEC"), and information with respect to mineralization and Mineral Reserves and Mineral Resources contained herein may not be comparable to similar information disclosed by U.S. companies. The SEC has adopted amendments to its disclosure rules to modernize the mineral property disclosure requirements under the U.S. Securities Exchange Act of 1934, as amended (the "Exchange Act"). These amendments became effective February 25, 2019 (the "SEC Modernization Rules") with compliance required for the first fiscal year beginning on or after January 1, 2021. Under the SEC Modernization Rules, the historical property disclosure requirements for mining registrants included in Industry Guide 7 under the U.S. Securities Act of 1933, as amended, will be rescinded and replaced with disclosure requirements in subpart 1300 of SEC Regulation S-K. As a result of the adoption of the SEC Modernization Rules, the SEC now recognizes estimates of "Measured Mineral Resources", "Indicated Mineral Resources" and "Inferred Mineral Resources." In addition, the SEC has amended its definitions of "Proven Mineral Reserves" and "Probable Mineral Reserves" to be "substantially similar" to the corresponding standards under NI 43-101. While the SEC will now recognize "Measured Mineral Resources", "Indicated Mineral Resources" and "Inferred Mineral Resources", U.S. investors should not assume that any part or all of the mineralization in these categories will ever be converted into a higher category of Mineral Resources or into Mineral Reserves. Mineralization described using these terms has a greater amount of uncertainty as to its existence and feasibility than mineralization that has been characterized as reserves. Accordingly, U.S. investors are cautioned not to assume that any Measured Mineral Resources, Indicated Mineral Resources, or Inferred Mineral Resources that the Company reports are or will be economically or legally mineable. Further, "Inferred Mineral Resources" have a greater amount of uncertainty as to their existence and as to whether they can be mined legally or economically. Therefore, U.S. investors are also

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cautioned not to assume that all or any part of the "Inferred Mineral Resources" exist. There is no assurance that any Mineral Reserves or Mineral Resources that the Company may report as "Proven Mineral Reserves", "Probable Mineral Reserves", "Measured Mineral Resources", "Indicated Mineral Resources" and "Inferred Mineral Resources" under NI 43-101 would be the same had the Company prepared the Reserve or Resource Estimates under the standards adopted under the SEC Modernization Rules.

Mineral Resources are not Mineral Reserves, and do not have demonstrated economic viability, but do have reasonable prospects for economic extraction. Measured and Indicated Mineral Resources are sufficiently well defined to allow geological and grade continuity to be reasonably assumed and permit the application of technical and economic parameters in assessing the economic viability of the Mineral Resource. Inferred Mineral Resources are estimated on limited information not sufficient to verify geological and grade continuity or to allow technical and economic parameters to be applied. Inferred Mineral Resources are too speculative geologically to have economic considerations applied to them to enable them to be categorized as Mineral Reserves. There is no certainty that Mineral Resources of any classification can be upgraded to Mineral Reserves through continued exploration.

The Company's Mineral Reserve and Mineral Resource figures are estimates and the Company can provide no assurances that the indicated levels of mineral will be produced or that the Company will receive the price assumed in determining its Mineral Reserves. Such estimates are expressions of judgment based on knowledge, mining experience, analysis of drilling results and industry practices. Valid estimates made at a given time may significantly change when new information becomes available. While the Company believes that these Mineral Reserve and Mineral Resource Estimates are well established and the best estimates of the Company's management, by their nature Mineral Reserve and Mineral Resource Estimates are imprecise and depend, to a certain extent, upon analysis of drilling results and statistical inferences which may ultimately prove unreliable. If the Company's Mineral Reserve or Mineral Resource Estimates are inaccurate or are reduced in the future, this could have an adverse impact on the Company's future cash flows, earnings, results or operations and financial condition.

The Company estimates the future mine life of the Marathon Project. The Company can give no assurance that its mine life estimate will be achieved. Failure to achieve this estimate could have an adverse impact on the Company's future cash flows, earnings, results of operations and financial condition.