JAGUAR

MINING INC.

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

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INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Jaguar Mining Inc.

Opinion

We have audited the consolidated financial statements of Jaguar Mining Inc. (the Entity), which comprise:

- the consolidated statements of financial position as at December 31, 2024 and December 31, 2023
- the consolidated statements of operations and comprehensive (loss) income for the years then ended
- the consolidated statements of cash flows for the years then ended
- the consolidated statements of changes in shareholders' equity for the years then ended
- and notes to the consolidated financial statements, including a summary of material accounting policy information

(Hereinafter referred to as the "financial statements").

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

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "***Auditor's Responsibilities for the Audit of the Financial Statements***" section of our auditor's report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the year ended December 31, 2024. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matters described below to be the key audit matters to be communicated in our auditor's report.

Evaluation of the carrying value of property, plant and equipment

Description of the matter

We draw attention to Notes 3(c)(ix) and 9(d) to the financial statements. The carrying amount of the Entity's property, plant and equipment are reviewed at each reporting date to determine whether there is any indication of impairment or impairment reversal. If any such indicator exists, the Entity performs an impairment (reversal) test. The impairment reversal test at the Turmalina cash generating unit resulted in an impairment reversal of $8.3 million.

The Entity's estimate of the recoverable amount is determined using the fair value less costs of disposal approach which uses a discounted cash flow model to determine the recoverable amount. The significant assumptions used in determining the recoverable amount were: the life of mine production profile, future gold prices, future foreign exchange rates, future operating and capital costs used to determine the future cash flows, the discount rate and the timing of the mine restart.

Why the matter is a key audit matter

We identified the evaluation of the carrying value of property, plant, and equipment as a key audit matter. This matter represented an area of significant risk of material misstatement as minor changes to certain significant assumptions had a significant effect on the estimated recoverable amount of the cash generating units. Significant auditor judgement was required to assess the significant assumptions of the life of mine production profile, future gold prices, future foreign exchange rates, future operating and capital costs used to determine the future cash flows, the discount rate and the timing of the mine restart. Further, professionals with specialized skills and knowledge were required to evaluate certain significant assumptions.

How the matter was addressed in the audit

The following are the primary procedures we performed to address this key audit matter.

We assessed the estimates of the life of mine production profile and future capital and operating expenditure assumptions by comparing them to historical results and technical reports.

We evaluated the competence, experience, and objectivity of the qualified persons responsible for the determination of the mineral reserves and resources information.

We evaluated the Entity's expected timing of restart by inspecting the requirements imposed by regulators to resume operations and the timeline required to address those requirements.

We involved valuation professionals with specialized skills and knowledge who assisted in evaluating the appropriateness of the Entity's:

- Gold prices and foreign exchange rate assumptions by comparing to estimates that were independently developed using publicly available third-party sources.
- Discount rate assumption by comparing to estimates that were independently developed using publicly available third-party sources and data for comparable entities.

Evaluation of liabilities arising from the notices of infraction

Description of the matter

We draw attention to Notes 3(d)(v) and 16(c) to the financial statements. The Entity experienced a slump (the “Incident”) in the north wall of the Satinoco dry tailings pile. After the Incident, the Entity received notices of infractions for R$320 million ($51.7 million) and R$200 million ($32.3 million). The Entity applies significant judgement in determining the likelihood that claims will result in a loss and determining a reliable estimate for the amount of said loss to recognize a provision amount.

Why the matter is a key audit matter

We identified the evaluation of liabilities arising from the notices of infraction as a key audit matter. This key audit matter required significant auditor judgment to evaluate the results of our audit procedures due to the Entity’s assessment of the significant judgments.

How the matter was addressed in the audit

The following are the primary procedures we performed to address this key audit matter.

We evaluated the Entity’s assessment of the accounting treatments for the notices of infraction by:

- Reading the notices of infraction.
- Assessing management’s assessment of the likelihood of any losses arising from the notices of infraction.
- Inquiring with management and the Entity’s external legal counsel regarding their evaluation of the notices of infraction.

Other Information

Management is responsible for the other information. Other information comprises:

- the information included in Management’s Discussion and Analysis filed with the relevant Canadian Securities Commissions.

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit and remain alert for indications that the other information appears to be materially misstated.

We obtained the information included in Management’s Discussion and Analysis filed with the relevant Canadian Securities Commissions as at the date of this auditor’s report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in the auditor’s report.

We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

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

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

  The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
- Provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.
- Determine, from the matters communicated with those charged with governance, those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our auditor's report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

KPMG LLP

Chartered Professional Accountants, Licensed Public Accountants

The engagement partner on the audit resulting in this auditor's report is Todd Buchanan.
Toronto, Canada
March 31, 2025

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(Expressed in thousands of US dollars)

			December 31, 2024		December 31, 2023
ASSETS					
Current assets					
Cash and cash equivalents		$	**46,357**	$	22,041
Short-term investments	*Note 5*		**1,438**		-
Restricted cash	*Note 4*		**923**		897
Inventory	*Note 6*		**15,343**		15,639
Recoverable taxes	*Note 7*		**3,933**		5,584
Other accounts receivable	*Note 8*		**328**		310
Prepaid expenses and advances			**2,226**		1,556
Total current assets			**70,548**		46,027
Non-current assets					
Property, plant and equipment	*Note 9*		**253,440**		230,429
Mineral exploration projects	*Note 10*		**10,681**		20,436
Deferred tax assets	*Note 14*		**7,234**		5,800
Recoverable taxes	*Note 7*		**2,340**		1,768
Other accounts receivable	*Note 8*		**-**		4,000
Restricted cash	*Note 4*		**753**		659
Total assets		**$**	**344,996**	$	309,119
LIABILITIES AND SHAREHOLDERS' EQUITY					
Current liabilities					
Accounts payable and accrued liabilities	*Note 11*	$	**15,803**	$	16,082
Notes payable	*Note 12*		**3,044**		3,295
Lease liabilities	*Note 13*		**1,363**		1,953
Current tax liability	*Note 14*		**1,422**		1,381
Other taxes payable			**487**		1,334
Reclamation provisions	*Note 15*		**8,585**		4,298
Legal and other provisions	*Note 16*		**26,174**		5,068
Total current liabilities			**56,878**		33,411
Non-current liabilities					
Lease liabilities	*Note 13*		**2,544**		592
Other taxes payable			**8,185**		8,375
Reclamation provision	*Note 15*		**28,309**		23,186
Legal and other provisions	*Note 16*		**9,548**		3,282
Total liabilities		**$**	**105,464**	$	68,846
SHAREHOLDERS' EQUITY					
Common shares	*Note 17*	$	**574,634**	$	574,000
Stock options			**1,335**		1,390
Deferred share units			**2,743**		2,776
Contributed surplus			**23,883**		23,883
Deficit			**(363,063)**		(361,776)
Total shareholders' equity		**$**	**239,532**	$	240,273
Total liabilities and shareholders' equity		**$**	**344,996**	$	309,119
Subsequent events	*Note 16(c)*				

On behalf of the Board:

(signed) "Jeffrey Kennedy" *(signed) "Vernon Baker"*

The accompanying notes are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE (LOSS) INCOME

For the years ended December 31, 2024 and 2023

(Expressed in thousands of US dollars, except per share amounts and number of shares)

		Years ended December 31, 2024	2023
Revenue		**$ 158,630**	$ 136,528
Operating costs	*Note 19*	**73,270**	79,384
Depreciation		**25,860**	24,659
Gross profit		**59,500**	32,485
Exploration and evaluation costs		**2,114**	3,295
Care and maintenance costs (Paciência & Roça Grande mines)		**690**	734
Stock-based compensation	*Note 17(b)(c)*	**447**	884
General and administrative expenses		**7,792**	7,358
Amortization		**137**	88
Satinoco event	*Note 16(c)*	**26,327**	-
Legal, recoverable tax and other provisions expenses		**7,736**	1,049
Impairment charge (reversals)	*Note 9(d)*	**1,427**	(3,917)
Other operating (income) expenses		**(168)**	1,780
Operating income		**12,998**	21,214
Foreign exchange (gain) loss		**(9,233)**	3,031
Financial instruments (gain)	*Note 5*	**(48)**	-
Finance costs		**3,371**	3,368
Other non-operating expense (income)	*Note 20*	**12,846**	(44)
Income before income taxes		**6,062**	14,859
Current income tax expense	*Note 14*	**8,783**	4,805
Deferred income tax (recovery)	*Note 14*	**(1,434)**	(5,800)
Total income tax expense (recovery)		**7,349**	(995)
Net (loss) income		**$ (1,287)**	$ 15,854
Total comprehensive (loss) income		**$ (1,287)**	$ 15,854
Earnings per share	*Note 18*		
Earnings per share			
Basic		**$ (0.02)**	$ 0.21
Diluted		**$ (0.02)**	$ 0.21
Weighted average shares outstanding			
Basic		**79,176,793**	74,596,125
Diluted		**79,176,793**	75,488,862

The accompanying notes are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENTS OF CASH FLOWS

For the years ended December 31, 2024 and 2023

(Expressed in thousands of US dollars)

		Years ended December 31, 2024	2023
OPERATING ACTIVITIES			
Net income for the period		**$ (1,287)**	$ 15,854
Adjustments and non-cash items			
Depreciation and amortization		**25,997**	24,747
Accretion interest expense		**2,895**	2,812
Interest expense		**452**	484
Impairment charges (reversals)		**1,427**	(3,917)
Unrealized foreign exchange (gain) loss		**(9,622)**	3,000
Current income tax expense		**8,783**	4,805
Deferred income tax (recovery)		**(1,434)**	(5,800)
Change in reclamation provisions for sites on care and maintenance	*Note 20*	**13,016**	1,257
Change in provisions against other accounts receivable		**-**	1,000
Legal and other provisions expense	*Note 16*	**31,363**	1,129
Other activities (recovery) expense	*Note 21*	**1,379**	(296)
Changes in operating assets and liabilities	*Note 22*	**(7,204)**	(3,655)
Cash provided by operating activities before income taxes		**65,765**	41,420
Income taxes paid		**(8,416)**	(5,381)
Net cash provided by operating activities		**57,349**	36,039
INVESTING ACTIVITIES			
Investment in short-term investments	*Note 5*	**(1,390)**	-
Investment in mineral exploration projects		**-**	(4,122)
Purchase of property, plant and equipment		**(33,589)**	(32,604)
Proceeds from acquisition of IAMGOLD Brazil		**-**	124
Proceeds from dispositions of property, plant and equipment		**301**	818
Proceeds from disposition of mineral exploration projects	*Note 8*	**4,000**	-
Net cash (used in) investing activities		**(30,678)**	(35,784)
FINANCING ACTIVITIES			
Cash received upon issuance of notes payable	*Note 25(g)*	**6,000**	6,000
Cash received upon issuance of shares via stock options exercised	*Note 17(b)*	**99**	133
Repayment of notes payable and lease liabilities	*Note 25(g)*	**(8,598)**	(9,289)
Interest paid		**(245)**	(277)
Share issuance costs		**-**	(20)
Net cash (used in) financing activities		**(2,744)**	(3,453)
Effect of exchange rate changes on cash and cash equivalents		**389**	31
Net increase (decrease) in cash and cash equivalents		**24,316**	(3,167)
Cash and cash equivalents at the beginning of the period		**22,041**	25,208
Cash and cash equivalents at the end of the period		**$ 46,357**	$ 22,041

The accompanying notes are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

For the years ended December 31, 2024 and 2023

(Expressed in thousands of US dollars)

	Common Shares		Stock Options		Deferred Share Units		Contributed Surplus	Deficit	Total Equity
	Shares	Amount	Options	Amount	Units	Amount			
	Note 17		*Note 17*		*Note 17*				
Balance as at January 1, 2023	72,452,927	$ 566,716	1,012,082	$ 1,460	731,338	$ 2,715	$ 23,760	$ (377,630)	217,021
Shares issued on acquisition of IAMGOLD Brazil, net of issuance costs	6,331,713	6,381	-	-	-	-	-	-	6,381
Stock options granted and outstanding	-	-	118,329	132	-	-	-	-	132
Stock options exercised	84,370	212	(84,370)	(79)	-	-	-	-	133
Stock options forfeited and expired	-	-	(52,249)	(123)	-	-	123	-	-
Deferred share units granted and outstanding	-	-	-	-	309,772	752	-	-	752
Deferred share units redeemed	197,655	691	-	-	(197,655)	(691)	-	-	-
Net Income	-	-	-	-	-	-	-	15,854	15,854
Balance as at December 31, 2023	79,066,665	$ 574,000	993,792	$ 1,390	843,455	$ 2,776	$ 23,883	$ (361,776)	$ 240,273
Balance as at January 1, 2024	79,066,665	$ 574,000	993,792	$ 1,390	843,455	$ 2,776	$ 23,883	$ (361,776)	$ 240,273
Stock options granted and outstanding	-	-	-	21	-	-	-	-	21
Stock options exercised	64,500	175	(64,500)	(76)	-	-	-	-	99
Deferred share units granted and outstanding	-	-	-	-	290,318	426	-	-	426
Deferred share units redeemed	176,920	459	-	-	(176,920)	(459)	-	-	-
Net income	-	-	-	-	-	-	-	(1,287)	(1,287)
Balance as at December 31, 2024	**79,308,085**	**$ 574,634**	**929,292**	**$ 1,335**	**956,853**	**$ 2,743**	**$ 23,883**	**$ (363,063)**	**$ 239,532**

The accompanying notes are an integral part of these consolidated financial statements.

1. Nature of business

Jaguar Mining Inc. (the "Company" or "Jaguar") is a corporation continued under the *Business Corporations Act* (Ontario) engaged in the acquisition, exploration, development, and operation of gold producing properties in Brazil. The address of the Company's registered and principal executive office is 25 Adelaide St. East, Suite 1400, Toronto, Ontario, Canada, M5C 3A1.

These consolidated financial statements of the Company as at for the years ended December 31, 2024 and 2023, include the accounts of the Company and its wholly-owned subsidiaries: (i) Mineração Serras do Oeste Ltda. ("MSOL") and (ii) IAMGOLD Brasil Prospecções Minerais Ltda. ("IAMGOLD Brazil"). All significant intercompany accounts and transactions have been eliminated on consolidation.

MSOL is the operating subsidiary for (i) the Turmalina Complex comprising the Turmalina mine and one processing facility, (ii) the Caeté Complex comprising the Pilar mine and one processing facility, and (iii) the Paciência Complex comprising the Santa Isabel mine which has been on care and maintenance since 2012. IAMGOLD Brazil is the subsidiary acquired on September 13, 2023 which owns the Pitangui and Acuruí gold mineral exploration projects located in proximity to the Turmalina Complex and Paciência Complex.

2. Basis of preparation

a) Statement of compliance

The Company's consolidated financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB"), effective as at December 31, 2024. The Company's material accounting policies and significant estimates and judgments are described in Note 3 of these consolidated financial statements for the year ended December 31, 2024.

These consolidated financial statements were authorized for issuance by the Board of Directors on March 31, 2025.

3. Material accounting policies and significant estimates and judgments

a) Basis of measurement

These consolidated financial statements have been prepared on a going concern and historical cost basis.

The consolidated financial statements include the accounts of Jaguar Mining Inc. and its subsidiaries. The Company consolidates its subsidiaries where it has the ability to exercise control. Subsidiaries are consolidated from the acquisition date, which is the date on which the Company obtains control of the acquired entity. All intercompany balances, transactions, income and expenses, and profits or losses have been eliminated on consolidation.

b) Functional and presentation currency

The functional currency of the Company and its subsidiaries is the currency of the primary economic environment in which the entities operate, which the Company has determined is the U.S. dollar. Determination of functional currency requires certain judgements to determine the primary economic environment. In line with the Company's functional currency, these consolidated financial statements are presented in U.S. dollars.

c) Material accounting policies

(i) Basis of consolidation

Subsidiaries are entities controlled by the Company. The financial statements of the Company's subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

(ii) Business combinations

The Company determines whether a business is acquired when the integrated set of assets and activities includes at a minimum, an input and substantive process and whether the acquired set has the ability to contribute to the creation of outputs.

The Company also has an option to apply a 'concentration test' that permits a simplified assessment of whether an acquired set of activities and assets is not a business. If substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets, the concentration test is met, and the transaction is determined not to be a business combination. If the assets acquired are not a business, the transaction is accounted for as an asset acquisition.

(iii) Cash and cash equivalents

The Company considers deposits in banks, certificates of deposit and financial investments with remaining maturities of three months or less at the time of acquisition to be cash and cash equivalents. Cash held on deposit as security is classified as restricted cash.

(iv) Short-term investments

Short-term investments include marketable securities which are readily tradable in an active market and can be quickly converted into cash with an established market price. These are equity instruments that the company holds for short-term investment purposes, typically with the intention of selling them within one year or within the normal operating cycle, whichever is longer.

(v) Inventory

Gold in process, unrefined gold doré and ore in stockpiles are stated at the lower of the weighted average total production cost or net realizable value. Production costs include direct labour, employee benefits, direct material and other direct product costs including depreciation and amortization. Net realizable value represents estimated selling price in the ordinary course of business, less any further costs expected to be incurred to completion.

Raw materials and mine operating supplies are stated at the lower of weighted average cost, and net realizable value.

(vi) Mineral exploration projects

Exploration and evaluation costs incurred on sites without an existing mine and on areas outside the boundary of a known mineral resource are expensed as incurred.

The exploration and evaluation costs capitalized to Mineral exploration projects are those incurred to advance exploration projects with an established mineral resource. These expenditures are made to establish and expand upon a given project´s technical and commercial feasibility which will underpin the Company's decision to develop said project into a mine or not. The capitalized costs include: direct costs of acquiring exploration properties or other resource property interests, sample collection, drilling costs, geophysical survey expenses, assay expenses, and technical and administrative overheads directly attributable to the exploration activities.

Mineral exploration projects are carried at cost, less any impairment losses recognized. If the Company determines a given project is technically feasible and commercially viable and approves the mine development of said project, the capital asset associated with the project is reclassified from Mineral exploration projects to Mining properties in Property, plant and equipment. At the time of reclassification the capital asset is reviewed for impairment in accordance with the policy noted in item (viii) below. If no economically viable ore body is discovered, previously capitalized mineral exploration project costs are expensed in the period that the project is determined to be uneconomical or abandoned.

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

Plant, vehicles and equipment

At acquisition, the Company records plant, vehicles and equipment at cost, including all expenditures incurred to prepare an asset for its intended use. These expenditures consist of: the purchase price, and installation costs including architectural, design and engineering fees, legal fees, survey costs, site preparation costs, freight charges, transportation insurance costs, duties, testing and preparation charges. The Company capitalizes costs that meet the asset recognition criteria. Costs incurred that do not extend the productive capacity or useful economic life of an asset are accounted for as a cost of the inventory produced in the period.

Plant, vehicles and equipment are depreciated over their expected useful life, which commences when the assets are considered available for use. Once plant, vehicles and equipment are considered available for use they are measured at cost less accumulated depreciation and applicable impairment losses. Depreciation on equipment utilized in the development of assets, including underground mine development, is recapitalized as development costs attributable to the related asset.

Leasing arrangements

The Company has elected not to recognize right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The lease payments associated with these leases are charged directly to the statement of operations and comprehensive income on a straight-line basis over the lease term.

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Company then assesses (i) whether the contract involves the use of an identified asset, (ii) whether it has the right to obtain substantially all of the economic benefits from use of the asset during the term of the arrangement and (iii) if it has the right to direct the use of the asset. At inception or on reassessment of a contract that contains a lease component, the consideration in the contract is allocated to each lease component proportionally on the basis of their relative standalone prices.

As a lessee, the Company recognizes a right-of-use asset, which is included in property, plant and equipment, and a right-of-use lease liability at the commencement date of a lease. The right-of-use asset is initially measured at cost, which is comprised of the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any decommissioning and restoration costs, less any lease incentives received.

The right-of-use asset is subsequently depreciated from the commencement date to the earlier of the end of the lease term, or the end of the useful life of the asset. In addition, the right-of-use asset may be reduced due to impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

Construction-in-progress

Assets under construction at operating mines are capitalized as construction-in-progress (“CIP”). The cost of CIP comprises its purchase price and any costs directly attributable to bringing it into working condition for its intended use. Construction-in-progress amounts related to development projects are included in the carrying amount of the development project.

Construction-in-progress amounts incurred at operating mines are presented as a separate asset within PP&E. Construction-in-progress also includes deposits on long lead items. Construction-in-progress is not depreciated. Depreciation commences once the asset is complete and available for use.

Depreciation and amortization

Depreciation and amortization methods and rates for significant categories of non-current assets are as follows:

Processing plants	- over plant life, straight-line basis
Vehicles	- 5 years, straight-line basis
Equipment	- 5-10 years, straight-line basis
Leasehold improvements	- over term of lease, straight-line basis
Mining properties	- unit-of-production method (1)

(1) Amortization of mining properties, pre-production and development costs are calculated and recorded on the unit-of-production basis over the mine’s estimated recoverable proven and probable mineral reserves and measured and indicated resources, as disclosed in Note 3(d).

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment. Depreciation or amortization is adjusted prospectively if there is a change in useful lives, reserve base or residual values.

(viii) Underground mine development costs

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

Capitalized underground development costs incurred to enable access to specific ore blocks or areas of the underground mine, and which only provide an economic benefit over the period of mining that ore block or area, are amortized on a units of production basis, whereby the denominator includes the ore block or area’s estimated recoverable proven and probable mineral reserves and measured and indicated resources.

(ix) Impairment and impairment reversals

The carrying amounts of the Company’s non-current assets, including property, plant and equipment and exploration and evaluation assets, are reviewed at each reporting date to determine whether there is any indication of impairment or reversal thereto.

Prior to carrying out impairment reviews, the significant cash generating units are assessed to determine whether they should be reviewed under the requirements of IFRS 6 – Exploration for and Evaluation of Mineral Resources or IAS 36 - Impairment of Assets. Such determination is by reference to the stage of development of the project and the level of reliability and surety of information used in calculating value in use or fair value less costs of disposal.

The Turmalina, Caeté, and Paciência projects are each CGUs which include property, plant and equipment, mineral rights, deferred exploration costs, and asset retirement obligations net of amortization. The CGUs also include mineral exploration project assets relating to properties not in production. A CGU is generally an individual operating mine or development project.

Impairment reviews performed under IFRS 6 are carried out on a project by project basis, with each project representing a potential single cash generating unit. An impairment review is undertaken when indicators of impairment arise; typically when one of the following circumstances applies:
- sufficient data exists that render the resource uneconomic and unlikely to be developed
- title to the asset is compromised
- budgeted or planned expenditure is not expected in the foreseeable future
- insufficient discovery of commercially viable resources leading to the discontinuation of activities

Impairment reviews performed under IAS 36 are carried out when there is an indication that the carrying value may be impaired. Such key indicators (though not exhaustive) to the industry include a significant deterioration in the spot price of gold, a significant increase in production costs, or a significant revision to, and reduction in, the life of mine plan.

If any such indicator exists, the Company performs an impairment test to compare the recoverable amount to the carrying amount. The recoverable amount is the greater of its value-in-use and its fair value less cost of disposal.

The Company's estimate of the recoverable amounts is determined using the fair value less cost of disposal approach which uses discounted cash flow models to determine the recoverable amount.

Fair value less cost of disposal is the amount obtainable from the sale of an asset or cash generating unit in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal. Costs of disposal are incremental costs directly attributable to the disposal of an asset or CGU, excluding finance costs and income tax expense.

An impairment loss is recognized when the carrying value of an asset held for use exceeds its estimated recoverable amount. Impairment losses recognized in respect of CGUs are allocated to reduce the carrying amounts of the other assets in the unit on a pro-rata basis. Impairment losses are recognized in operating expenses. Impairment losses are recorded in the reporting period in which determination of impairment is made by management.

Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount and only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

(x) Income taxes

Income tax expense comprises current and deferred income taxes. Income tax expense is recognized in the consolidated statements of operations and comprehensive income except to the extent that it relates to items recognized directly in equity.

Current income taxes

Current income taxes are the expected taxes payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to taxes payable in respect of previous years.

Deferred income taxes

The Company accounts for deferred income taxes under the asset and liability method. Under this method of tax allocation, deferred income and mining tax assets and liabilities are determined based on differences between the financial statement carrying values and their respective income tax bases (temporary differences).

Deferred income taxes are measured using the tax rates that are expected to be in effect when the temporary differences are likely to reverse, based on the laws that have been enacted or substantively enacted by the reporting date. The effect on deferred income tax assets and liabilities of a change in tax rates is included in earnings in the period in which the change is substantively enacted. The amount of deferred income tax assets recognized is limited to the amount that is probable to be realized.

(xi) Reclamation provisions

Mining, extraction and processing activities normally give rise to obligations for environmental rehabilitation or reclamation. Reclamation work can include facility decommissioning and dismantling; removal or treatment of waste materials; site and land rehabilitation, including compliance with and monitoring of environmental regulations; security and other site-related costs required to perform the rehabilitation work; and operation of equipment designed to reduce or eliminate environmental effects. The extent of work required and the associated costs are dependent on the requirements of relevant authorities and our environmental policies. The timing of work is dependent upon factors such as the life and nature of the asset, the operating license conditions, the environment in which the mine operates, among others.

Reclamation provisions are normally recognized at the time that an environmental disturbance occurs or a constructive obligation is determined. When a reclamation provision is initially recognized, the corresponding cost is capitalized as an asset to PP&E and is depreciated over the expected economic life of the operation to which it relates.

Included in the provisions are cost estimates which (i) aim to encompass all closure and reclamation activity expected to occur in connection with the state of disturbances existent as at the reporting date and to be conducted progressively over the life of the operation, at the time of closure and post-closure, (ii) are made based on the cost of external contractors performing the work or the cost of performing the work internally depending on management’s intention, and (iii) are measured at the expected value of future cash flows discounted to their present value using a pre-tax discount rate projected based on Brazilian real risk-free treasury bond rates with a maturity approximating the timing in which the reclamation activities are planned to occur. The unwinding of the discount, referred to as accretion expense, is included in finance costs and results in an increase in the amount of the provision.

Excluded from the reclamation provisions are routine operating costs that may impact the ultimate closure and reclamation activities, such as waste material handling conducted as an integral part of a mining or production process.

Reclamation provisions are adjusted each reporting period in consideration of the changes in the extent of disturbance made, estimates and assumptions. Adjustments to reclamation provisions for operating sites are accounted for as a change in the corresponding cost of the related assets, including the related mineral property, except where a reduction in the provision is greater than the remaining net book value of the related assets, in which case the value is reduced to nil and the remaining adjustment is recognized in the consolidated statements of operations and comprehensive income. Adjustments to reclamation provisions for closed sites or sites on care and maintenance are recognized immediately in the consolidated statements of operations and comprehensive income.

Costs arising from unforeseen circumstances, such as the contamination caused by unplanned discharges, are recognized as an expense and liability when the event that gives rise to an obligation occurs and reliable estimates of the required reclamation costs can be made.

(xii) Legal and other provisions

Provisions are recorded when a legal or constructive obligation exists as a result of past events where it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation estimated at the end of each reporting period, taking into account the risks and uncertainties surrounding the obligation and is measured using the present value of cash flows estimated to settle the present obligation.

Certain conditions may exist as of the date the financial statements are issued, which may result in a loss to the Company, but which will only be resolved when one or more future events occur or fail to occur. In assessing loss contingencies related to legal proceedings that are pending against us or un-asserted claims that may result in such proceedings, the Company with assistance from its legal counsel evaluate the perceived merits of any legal proceedings or un-asserted claims as well as the perceived merits of the amount of relief sought or expected to be sought. If the assessment of a contingency determines that a loss is probable, and the amount can be reliably estimated, then a provision is recorded. When a contingent loss is not probable but is reasonably possible, or is probable but the amount of loss cannot be reliably estimated, and then details of the contingent loss are disclosed. Loss contingencies considered remote are generally not disclosed unless they involve guarantees, in which case the Company discloses the nature of the guarantee. Contingent gains are only recognized when the inflow of economic benefits is virtually certain.

(xiii) Foreign currency translation

The U.S. dollar is considered to be the functional currency of the Company and of its subsidiaries. Monetary assets and liabilities of the Company's operations denominated in foreign currency are translated into U.S. dollars at the rate of exchange in effect at the balance sheet date, and non-monetary assets and liabilities are translated at the historical rate of exchange. Transactions in foreign currencies are translated at the actual rates of exchange. Foreign currency gains and losses are recognized in the consolidated statements of operations and comprehensive income.

(xiv) Stock-based compensation

The Company has stock-based compensation plans, which are described in Note 17(b) and (c). The Company accounts for all equity-settled stock-based payments based on the fair value of the award on grant date.

Under the fair value based method, compensation cost attributable to options granted is measured at fair value at the grant date and amortized over the vesting period. The amount recognized as an expense is adjusted to reflect any changes in the Company's estimate of the shares that will eventually vest and the effect of any non-market vesting conditions.

Share-based payment arrangements in which the Company receives goods or services as consideration are measured at the fair value of the good or service received, unless that fair value cannot be estimated reliably.

(xv) Revenue recognition

Revenue is generated from the sale of refined gold. The Company considers each shipment to be a separate performance obligation and recognizes revenue at the point when the customer obtains control of the product. Control is transferred when title has passed to the customer, the customer has assumed the significant risks and rewards of ownership of the asset and the Company has the present right to payment for the delivery of its gold products.

(xvi) Earnings per share

Basic earnings per share is computed by dividing the net income available to common shareholders by the weighted average number of common shares outstanding during the period. The dilutive effect of outstanding options and their equivalents are reflected in diluted earnings per share by the application of the treasury method. The computation of diluted earnings per share assumes conversion, exercise or contingent issuance of securities only when such conversion, exercise or issuance would have a dilutive effect on earnings per share.

(xvii) Financial instruments - recognition and measurement

Financial instruments are measured on initial recognition at fair value, plus, in the case of financial instruments other than those classified as fair value through profit and loss ("FVTPL"), directly attributable transaction costs. Measurement of financial assets in subsequent periods depends on whether the financial asset has been classified as amortized cost, FVTPL or fair value through other comprehensive income ("FVTOCI"). Measurement of financial liabilities subsequent to initial recognition depends on whether they are classified as amortized cost or FVTPL. Financial assets and financial liabilities classified as amortized cost are measured subsequent to initial recognition using the effective interest method.

On initial recognition, financial assets are classified as: amortized cost, FVTPL, or FVTOCI. Such classification is determined according to the assets' contractual cash flow characteristics and the business models under which they are held.

A financial asset is measured at amortized cost if meets the following criteria: (i) it is not designated as FVTPL, (ii) it is held with the objective of collecting contractual cash flows, and (iii) its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

FVTPL financial instruments are carried at fair value with changes in fair value charged or credited to earnings in the period in which they arise.

Loss allowances for 'expected credit losses' are recognized on financial assets measured at amortized cost, and on contract assets measured at FVOCI.

Financial liabilities are initially measured at cost or amortized cost, net of transaction costs and any embedded derivatives that are not closely related to the financial liability, depending upon the nature of the instrument with any resulting premium or discount from the face value being amortized to earnings using the effective interest method.

The following is a summary of the financial instruments outstanding and classifications as at December 31, 2024:

Cash and cash equivalents	- Amortized cost
Short-term investments	- FVTPL
Restricted cash	- Amortized cost
Other accounts receivable	- Amortized cost
Accounts payable and accrued liabilities	- Amortized cost
Notes payable	- Amortized cost
Other provisions	- Amortized cost

d) Significant accounting estimates and judgments

The preparation of consolidated financial statements in conformity with IFRS as issued by IASB requires management to make estimates, judgments and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Certain accounting estimates depend on subjective or complex judgments about matters that may be uncertain, and changes in said estimates could materially impact these consolidated financial statements. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

The judgments that management has applied in the application of accounting policies and related estimates that have the most significant effect on the amounts recognized in these consolidated financial statements are discussed below:

(i) Mineral reserve and resource estimates

A mine reserve estimate is an estimate of the amount of product that can be economically and legally extracted from the Company's mining properties. In order to calculate reserve estimates, assumptions are required about a range of geological, technical and economic factors, including: quantities, grades, production techniques, recovery rates, production costs, transportation costs, commodity demand, commodity prices and exchange rates. The Company estimates its ore reserves and mineral resources based on information compiled by qualified persons as defined in accordance with the Canadian Securities Administrators' National Instrument 43-101 Standards of Disclosure for Mineral Projects requirements.

Estimates of mineral reserves and mineral resources may change as estimates and assumptions change and as additional geological data is generated during the course of operations. Changes in mineral reserve estimates or measured and indicated and inferred mineral resources estimates may affect depreciation rates and carrying values of the Company's inventory, property, plant and equipment, mineral exploration projects, reclamation provisions and deferred income taxes.

(ii) Units of production depreciation

The Company's mining properties and mineral exploration projects are depreciated on a unit-of-production basis and calculates the depreciation rate for each project by dividing its volume extracted by the estimated amount of recoverable mineral resources. The estimated amount of recoverable mineral resources (a) includes proven and probable mineral reserves as well as measured and indicated resources, (b) reflects management's best estimate of the useful life of the projects, and (c) is updated periodically in consideration of the results of complementary technical work performed. Periodic updates are treated as changes in accounting estimates and are accounted for on a prospective basis. It is impracticable to assess the impact of the change in estimate in future periods.

(iii) Reclamation provision

The Company's mining and exploration activities are subject to various laws and regulations governing the protection of the environment. In general, these laws and regulations are continually changing and, over time, becoming more restrictive which impacts the cost of retiring assets at the end of their useful lives.

Significant judgments and estimates are involved in forming expectations of future activities and the amount and timing of the associated cash flows. Those expectations are formed based on existing environmental and regulatory requirements or, if more stringent, the Company's environmental policies which give rise to a constructive obligation. The principal factors that can cause expected cash flows to change are: the construction of new processing facilities; changes in the quantities of material in reserves and resources with a corresponding change in the life of mine plan; changing ore characteristics that impact required environmental protection measures and related costs; changes in water quality that impact the extent of water treatment required; changes in discount rates; changes in foreign exchange rates and changes in laws and regulations governing the protection of the environment.

The actual future expenditures may differ from the amounts currently provided if the estimates made are significantly different than actual results or if there are future changes to environmental laws and regulations that could increase the extent of reclamation and remediation work required to be performed by the Company.

(iv) Identification of impairment charges and impairment reversals

At each reporting date, the Company applies significant judgment in assessing (a) whether events or circumstances ("impairment indicators") indicate the recoverable amount may be greater than or less than the carrying amount and (b) whether or not there has been an impairment or reversal thereto of the capitalized mineral exploration projects and property, plant and equipment.

For non-producing properties, the recoverable amount is based on fair value less cost of disposal where fair value is typically determined based on market values, for companies with similar projects. For producing mining properties, the recoverable amount is determined based on the expected future cash flows to be generated from the asset.

Significant assumptions include life of mine future production profiles, future gold prices, discount rates, foreign exchange rates, operating costs and capital expenditures and the timing of the restart of the Turmalina mine used to determine future cash flows. Assumptions underlying the fair value estimates are subject to risks and uncertainties.

An impairment provision is reversed if there has been a change in the estimates used to determine the recoverable amount and only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

(v) Legal and other provisions

As at each reporting date, the Company applies significant judgment in determining the likelihood that claims will result in a loss and determining a reliable estimate for the amount of said loss to recognize a provision amount. In the event the Company's operating activities result in an incident which causes adverse impacts to the environment or local community, the Company engages legal and technical specialists as deemed necessary to evaluate the environmental, social, and economic impacts of such an incident and develop an appropriate remediation plan to determine what legal constructive obligations, if any, may exist and require a provision. Significant judgments required to make such a determination include (a) to what extent, if any, that environmental fines will be substantiated against the Company by relevant environmental regulatory agency, (b) to what extent, if any, that compensatory damages will be deemed due and substantiated against the Company by the Federal Public Prosecutor's Office, (c) to what extent, if any, that indemnities will be required to be paid to the impacted stakeholders, and (d) to what extent, if any, any other losses will be incurred to remediate the incident and give continuance to the Company's business operations. Significant assumptions used include the payment timing for the aforementioned items, and the duration throughout which indemnities will be paid. If the assessment of a contingency determines that a loss is probable, and the amount can be reliably estimated, then a provision is recorded. When a contingent loss is not probable but is reasonably possible, or is probable but the amount of loss cannot be reliably estimated, and then the details of the contingent loss are disclosed.

e) Changes in material accounting policies and recent accounting pronouncements

(i) Changes in material accounting policies

- IAS 1 'Presentation of Financial Statements' – On January 1, 2024, the Company adopted amendments to IAS 1 that required companies to classify liabilities as current or non-current based on rights that exist at the end of the reporting period whereas such classification shall be unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability. For liabilities with covenants, the amendments clarify that only covenants with which an entity is required to comply on or before the reporting date affect the classification as current or non-current. The adoption of the amendments to IAS 1 did not affect the financial results or disclosures in the Company's consolidated financial statements.

- IFRS 16 'Leases' – On January 1, 2024, the Company adopted amendments to IFRS 16 which added subsequent measurement requirements for sale and leaseback transactions, particularly those with variable lease payments. The amendments require the seller-lessee to subsequently measure lease liabilities in a way such that it does not recognize any gain or loss relating to the right of use it retains. The adoption of the amendments to IFRS 16 did not affect the financial results or disclosures in the Company's consolidated financial statements.

- IAS 7 'Statement of Cash Flows' – On January 1, 2024, the Company adopted amendments to IAS 7 which required entities to (i) provide qualitative and quantitative information about their supplier finance arrangements and (ii) disclose whether they have accessed, or have access to, supplier finance arrangements that would provide the entity with extended payment terms or the suppliers with early payment terms. The adoption of the amendments to IAS 7 did not affect the financial results or disclosures in the Company's consolidated financial statements.

(ii) Recent accounting pronouncements

The following are new pronouncements approved by the IASB. These new standards are not yet effective and have not been applied in preparing these financial statements, however, they may impact future periods:

- IAS 21 'The Effects of Changes in Foreign Exchange Rates' – On August 15, 2023, the IASB issued amendments to IAS 21 to specify how to assess whether a currency is exchangeable and how to determine the exchange rate when it is not exchangeable. The amendments specify that a currency is exchangeable when it can be exchanged through market or exchange mechanisms that create enforceable rights and obligations without undue delay at the measurement date and the specified purpose. For non-exchangeable currencies, an entity is required to estimate the spot exchange rate as the rate that would have applied to an orderly exchange transaction between market participants at the measurement date under prevailing economic conditions. The amendments are effective on January 1, 2025 and are not expected to have a significant impact on the Company's consolidated financial statements.

- IFRS 18 'Presentation and Disclosure in Financial Statements' – On April 9, 2024, the IASB issued IFRS 18 replacing IAS 1. IFRS 18 introduces categories and defined subtotals in the statement of profit or loss, disclosures on management defined performance measures, and requirements to improve the aggregation and disaggregation of information in the financial statements. As a result of IFRS 18, amendments to IAS 7 were also issued to require that entities use the operating profit subtotal as the starting point for the indirect method of reporting cash flows from operating activities and also to remove presentation alternatives for interest and dividends paid and received. Similarly, amendments to IAS 33 "Earnings per Share" were issued to permit disclosure of additional earnings per share figures using any other component of the statement of profit or loss, provided the numerator is a total or subtotal defined under IFRS 18. IFRS 18 is effective for annual reporting periods beginning on or after January 1, 2027, and is to be applied retrospectively, with early adoption permitted. The Company is currently assessing the impact of the standard on its consolidated financial statements.

- In May 2024, the IASB issued Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7). The key changes included clarification on the recognition and derecognition date of certain financial assets and liabilities, and amended the requirements related to financial liabilities settled through electronic payment system, including an option to utilize an accounting policy for early derecognition. It also clarified how to assess the contractual cash flow characteristics of financial assets in determining whether they meet the solely payments of principal and interest criterion, including financial assets that have environmental, social and corporate governance (ESG)-linked features and other similar contingent features. The IASB also added disclosure requirements to provide additional transparency regarding equity investments designated at fair value through other comprehensive income and financial instruments with contingent features, such as those related to ESG requirements. The amendments are effective for annual periods beginning on or after January 1, 2026 with early application permitted. The Company is assessing the impact of these amendments on its consolidated financial statements.

(Tabular dollar amounts expressed in thousands of US dollars, except per share amounts and number of shares)

4. Restricted cash

	December 31, 2024	December 31, 2023
Escrow judicial deposits[(a)]	1,676	1,556
Total restricted cash	**$ 1,676**	$ 1,556
Less: current portion	923	897
Non-current portion	**$ 753**	$ 659

(a) Escrow judicial deposits paid in relation to the Company's ongoing labour, civil and tax litigations (Note 16).

5. Short-term investments

On December 23, 2024, the Company made a $1.4 million (C$2.0 million) cash investment in marketable gold junior mining company equity securities listed on the TSX Venture Exchange (TSX-V). Following a hold period expiring on April 24, 2025, the securities will be readily tradeable. In the year ended December 31, 2024, the Company recorded $48,000 in unrealized gains from mark-to-market adjustments on short-term investments in the consolidated statement of operations and comprehensive (loss) income ($nil, in the year ended December 31, 2023).

6. Inventory

Inventory is comprised of the following:

	December 31, 2024	December 31, 2023
Raw material and mine operating supplies	**$ 10,553**	$ 10,000
Ore in stockpiles	949	699
Gold in process	2,318	765
Unrefined gold doré	1,523	4,175
Total inventory	**$ 15,343**	$ 15,639

The inventory amount recognized in direct mining and processing costs for the year ended December 31, 2024 was $68.9 million ($75.3 million during the year ended December 31, 2023). During the year ended December 31, 2024, there were $0.5 million in inventory write downs to net realizable value which resulted from the Satinoco incident further disclosed in Note 16(c) ($nil during the year ended December 31, 2023).

(Tabular dollar amounts expressed in thousands of US dollars, except per share amounts and number of shares)

7. Recoverable taxes

	December 31, 2023	Additions/ reversals	Write-offs	Sales of credits	Applied to taxes payable	Foreign exchange	December 31, 2024
Value added taxes and other[a]	$ 4,617	$ 5,901	$ -	$ -	$ (6,738)	$ (767)	**$ 3,013**
Provision for VAT and other[b]	(808)	746	-	-	-	62	**-**
Net VAT and other taxes	$ 3,809	$ 6,647	$ -	$ -	$ (6,738)	$ (705)	**$ 3,013**
ICMS[c]	$ 5,510	$ 3,888	$ (502)	$ (2,340)	$ (102)	$ (1,366)	**$ 5,088**
Provision for ICMS	(1,967)	(323)	-	-	-	462	**(1,828)**
Net ICMS	$ 3,543	$ 3,565	$ (502)	$ (2,340)	$ (102)	$ (904)	**$ 3,260**
Total recoverable taxes	**$ 7,352**	**$ 10,212**	**$ (502)**	**$ (2,340)**	**$ (6,840)**	**$ (1,609)**	**$ 6,273**
Less: current portion	5,584						**3,933**
Non-current portion	$ 1,768						**$ 2,340**

a) The Company is required to pay certain federal value added taxes in Brazil that are based on purchases of consumables and property, plant and equipment. These taxes are recoverable from the Brazilian tax authorities through various methods, including via cash refund or as a credit against payroll, supplier withholding taxes, or other taxes payable.

As at December 31, 2024, the Company had a R$8.5 million ($1.4 million) receivable outstanding in its consolidated statement of financial position for tax refunds due to the Company pursuant to a court judgment received with respect to its litigation over Brazil Federal VAT input tax credit claims from past years (December 31, 2023: R$8.5 million, or $1.8 million).

In the year ended December 31, 2024, the Company applied (i) R$23.4 million ($4.4 million) in federal value added taxes and other tax credits to pay INSS tax obligations and (ii) R$12.2 million ($2.3 million) to pay goods and service withholding tax obligations. In the year ended December 31, 2023, the Company applied R$26.2 million ($5.5 million) in federal value added taxes and other tax credits to pay INSS tax obligations and R$8.6 million ($1.8 million) to pay goods and service withholding tax obligations.

b) The Company has recorded a provision against its recoverable taxes in Brazil given the limited methods available to recover such taxes and the length of time it will take to recover such taxes. The provision reduces the net carrying amount of value added taxes and other taxes to their estimated recoverable value. In the year ended December 31, 2024, the Company's provision recorded is valued at 0% of its VAT and other federal recoverable tax assets (December 31, 2023 – 17.5%).

c) *ICMS – Imposto sobre circulação de mercadorias e prestação de serviços* is a type of value added tax which can either be sold to other companies, usually at a weighted average discount rate of 20% - 35%, be used to satisfy ICMS tax settlement instalments due, or be used to purchase specified machinery and equipment, as subject to approval by government authority. The ICMS credits can only be realized in the state where they were generated; in the case of Jaguar, in the State of Minas Gerais, Brazil.

As at December 31, 2024, the Company applied a provision valued at 35.9% of its ICMS tax assets, which was based on the Company's historical discount rates required to sell ICMS tax credits to third party buyers (December 31, 2023 – 35.7%).

In the year ended December 31, 2024, the Company started the period with R$3.4 million ($0.7 million) in ICMS export and deferred tax credits authorized and available for sale. The Company received approval from the state tax authority to sell an additional R$11.3 million ($2.1 million), and the Company sold R$12.8 million ($2.3 million) in credits. As at December 31, 2024, the Company held R$1.9 million ($0.3 million) in ICMS export and deferred tax credits authorized for sale but not yet sold (December 31, 2023 – R$3.4 million, $0.7 million).

(Tabular dollar amounts expressed in thousands of US dollars, except per share amounts and number of shares)

8. Other accounts receivable

	December 31, 2024	December 31, 2023
Due from BHP Ltd. - CentroGold Project sale	-	4,000
Other accounts receivable	328	310
Total other accounts receivable	**$ 328**	$ 4,310
Less: current portion	328	310
Non-current portion	$ -	$ 4,000

The Company completed the sale of its 100% ownership in the CentroGold Project to BHP Group Limited ("BHP Ltd.", formerly Oz Minerals Ltd.) in July 2019 and completed the sale of a net smelter return royalty interest on the CentroGold Project to Metalla Royalty & Streaming Ltd. ("Metalla") in March 2021.

a) Receivable due from BHP Ltd.

Pursuant to the agreement which underpinned the Company's sale of the CentroGold Project to BHP Ltd., the Company was entitled to receive $5 million due from BHP Ltd. in 10 equal instalments starting in the month in which BHP Ltd. receives "clear title and access" to the project, and BHP Ltd. holds a first right of refusal to acquire the Company's Paciência Processing Plant.

In March 2024, the Company and BHP Ltd. agreed to amend the terms of sale of the CentroGold Project whereby, effective immediately upon signing the amendment agreement, the consideration remaining payable from BHP Ltd. to the Company under the agreement was reduced from $5.0 million to $4.0 million. The $4.0 million was received in March 2024 and there are no remaining obligations outstanding.

b) Contingent consideration from Metalla

Pursuant to the agreement which underpinned the Company's sale of a net smelter royalty interest on the CentroGold Project to Metalla, the following remaining elements of consideration remain outstanding:
(i) $7.0 million in Metalla common shares to be issued to Jaguar if and when the following three events have occurred: all CentroGold project licenses are granted, the injunction is lifted or extinguished with no pending appeals, and all required community relocations are completed; and
(ii) $4.0 million in cash due from Metalla if and when the CentroGold Project achieves commercial production.

As at December 31, 2024, the conditions to the remaining elements of contingent consideration due from Metalla remain unfulfilled and no amounts have been recognized to date.

(Tabular dollar amounts expressed in thousands of US dollars, except per share amounts and number of shares)

9. Property, plant and equipment ("PP&E")

	Plant	Vehicles	Equipment[1]	Leasehold[1,2]	CIP[3]	Mining properties	Total
Cost							
Balance as at January 1, 2024	$ 26,824	$ 7,194	$ 207,329	$ 8,688	$ 4,247	$ 599,491	$ 853,773
Additions	107	158	1,422	4,059	4,556	32,466	42,768
Disposals	(169)	(597)	(5,305)	-	(295)	(21,575)	(27,941)
Transfers within PP&E	417	491	-	-	(908)	-	-
Balance as at December 31, 2024	**$ 27,179**	**$ 7,246**	**$ 203,446**	**$ 12,747**	**$ 7,600**	**$ 610,382**	**$ 868,600**
Accumulated depreciation and impairment							
Balance as at January 1, 2024	$ 17,666	$ 2,642	$ 183,399	$ 7,917	$ -	$ 411,720	$ 623,344
Depreciation for the period	1,721	601	5,143	1,276	-	17,403	26,144
Impairment (reversals)	(615)	(356)	(1,429)	(274)	-	(5,654)	(8,328)
Disposals	(157)	(597)	(3,671)	-	-	(21,575)	(26,000)
Balance as at December 31, 2024	**$ 18,615**	**$ 2,290**	**$ 183,442**	**$ 8,919**	**$ -**	**$ 401,894**	**$ 615,160**
Carrying amount							
Balance as at December 31, 2024	**$ 8,564**	**$ 4,956**	**$ 20,004**	**$ 3,828**	**$ 7,600**	**$ 208,488**	**$ 253,440**
Cost							
Balance as at January 1, 2023	$ 19,114	$ 5,685	$ 205,197	$ 8,161	$ 11,088	$ 550,213	$ 799,458
Acquisition of IAMGOLD Brazil	-	$ 434	-	-	-	-	$ 434
Additions	81	114	2,079	527	3,411	29,965	36,177
Disposals	-	(322)	(1,170)	-	(117)	(319)	(1,928)
Transfers within PP&E	7,629	1,283	1,223	-	(10,135)	-	-
Transfer from Mineral Exploration	-	-	-	-	-	19,632	19,632
Balance as at December 31, 2023	$ 26,824	$ 7,194	$ 207,329	$ 8,688	$ 4,247	$ 599,491	$ 853,773
Accumulated depreciation and impairment							
Balance as at January 1, 2023	$ 16,826	$ 2,094	$ 180,931	$ 6,298	$ -	$ 396,007	$ 602,156
Acquisition of IAMGOLD Brazil	-	434	-	-	-	-	434
Depreciation for the period	1,361	504	4,452	1,649	-	16,973	24,939
Impairment charges (reversals)	(521)	(177)	(929)	(30)	-	(7,278)	(8,935)
Disposals	-	(213)	(1,055)	-	-	-	(1,268)
Transfer from Mineral Exploration	-	-	-	-	-	6,018	6,018
Balance as at December 31, 2023	$ 17,666	$ 2,642	$ 183,399	$ 7,917	$ -	$ 411,720	$ 623,344
Carrying amount							
Balance as at December 31, 2023	$ 9,158	$ 4,552	$ 23,930	$ 771	$ 4,247	$ 187,771	$ 230,429

[1] As at December 31, 2024, the Company had equipment and vehicles under right-of-use leases at a cost and net book value of $19.7 million and $8.1 million, respectively (December 31, 2023 - $18.1 million and $7.3 million, respectively).

[2] Refers to corporate office leasehold improvements and leased vehicles in Brazil.

[3] Refers to construction in progress.

As at December 31, 2024, mining properties include the following properties which are in production, under development, or in care and maintenance:

a) Turmalina Project

The Turmalina project terms include a royalty payable by the Company to an unrelated third party. The royalty due is calculated across two components each calendar year: (i) 5% of net revenue up to $10.0 million and (ii) 3% of the net revenue amount which exceeds $10.0 million. Pursuant to an agreement made with the Turmalina mining right royalty beneficiaries in March 2020 and subsequently amended, Turmalina´s royalty charge was temporarily reduced to 2.5% of net revenue for the period until December 31, 2024.

b) Paciência Project - Santa Isabel, Marzagão, Rio de Peixe Oxide, Chamé, and Bahú mines

The Company's Santa Isabel, Morro do Adão, Bahú, and Marzagão properties are subject to a sliding scale net smelter royalty ("NSR") due to the previous owner on gold and other precious metals produced from the properties, ranging from 1.5% to 4.5% of gross revenue based on precious metal prices at the time of production.

If the Company discovers, on a concession basis, in excess of 750,000 ounces of gold over the measured and indicated resources used in the agreement, AngloGold has the right to buy-in up to 70% of that concession for a predetermined price. If this were to occur, the Company would retain a 30% interest and would receive the same sliding scale NSR payment from AngloGold as the one mentioned above.

As at December 31, 2024 the carrying amount for the Paciência project is $nil, due to past impairment charges (December 31, 2023 - $nil) as the project is currently in care and maintenance.

c) Caeté Project - Roça Grande and Pilar mines

The Company´s Pilar mine property is subject to a royalty of 0.5% of revenue due to the landowners of the property.

d) Impairment charges (reversal)

The Turmalina, Caeté, and Paciência projects are each cash generating units ("CGUs") which include property, plant and equipment, mineral rights, deferred exploration costs, and asset retirement obligations net of amortization. The CGUs also include mineral exploration project assets relating to properties not in production such as mineral rights and deferred exploration costs. A CGU is generally an individual operating mine or development project.

As at December 31, 2024 and December 31, 2023, the Company reviewed the mineral exploration and mining properties within each CGU to determine (i) which properties should be assessed for impairment under IFRS 6 – Exploration for and Evaluation of Mineral Resources and (ii) which should be assessed for impairment under IAS 36 – Impairment of Assets. The Company assessed each CGU for indicators of potential impairment or potential reversal to impairment. In the event such indicators were identified, the Company proceeded to compare the CGU's carrying value to the recoverable amount determined. The recoverable amount was determined to be the fair value less costs to dispose ("FVLCD") and the Company's estimate of the FVLCD is classified as Level 3 in the fair value hierarchy based on the inputs used in the valuation technique.

The significant assumptions used in determining the recoverable amount of the project were life of mine (LOM) future production profiles, future gold prices, discount rates, foreign exchange rates, operating costs and capital expenditures and the timing of the restart of the Turmalina mine used to determine future cash flows. LOM plans are typically developed annually and are based on management's current best estimates of optimized mine and processing plans, future operating expenditures and capital costs, and income taxes. The Company bases its future gold price estimate with reference to forward prices and industry analyst consensus.

Turmalina CGU

As at December 31, 2024, the Company determined that all of the Turmalina CGU's mineral exploration and mining properties shall be assessed for impairment under IAS 36 – Impairment of Assets. The Company identified the following indicators for potential changes to impairment at the Turmalina CGU: (i) replenished mineral resource and reserve estimates and (ii) an improved gold price outlook, offset by the (iii) suspension of mining and production activities following the December 7, 2024 tailings pile slump incident disclosed in Note 16(c).

The Company compared the Turmalina CGU's carrying value to its recoverable amount. The Company used the following key assumptions in determining the recoverable amount: gold prices, foreign exchange rates, future mineral production, discount rate, operating costs and capital expenditures and the timing of restart of the Turmalina mine used to determine the future cash flows.

The life-of-mine gold price per ounce estimates used to calculate recoverable amounts as at December 31, 2024 were $2,777 for 2025, $2,811 for 2026, $2,418 for 2027, $2,289 for 2028, $2,031 for 2029, and $2,023 from 2030 through 2039. The foreign exchange rates used were based on Brazil Central Bank projections as of December 31, 2024 and ranged between R$5.25/USD and R$5.70/USD. Quantities of recoverable reserves and resources and future mineral production were included in projected cash flows considering a production restart as from January 2026 and based on mineral reserve and resources estimates including all proven and probable reserves and the portion of inferred and indicated resources deemed to hold a probable likelihood of recovery, as undertaken by qualified persons. A post-tax discount rate of 10.65% was used to calculate the present value of the estimated future cash flows from the operation.

The assessment indicated that the discounted cash flows exceeded its carrying value of the Turmalina project as at December 31, 2024, and consequently an impairment reversal of $8.3 million was recorded and fully allocated to property, plant and equipment.

As at December 31, 2023, the Company identified the following indicators of potential changes to impairment at the Turmalina CGU: (i) operating results less favorable than those forecasted, offset by (ii) replenished resources and reserves and (iii) an improved gold price outlook. The Company performed an impairment assessment and recorded a $8.9 million impairment reversal which was fully allocated to property, plant and equipment. The life-of-mine gold price per ounce estimates used to calculate recoverable amounts as at December 31, 2023 were $1,950 for 2024, $1,900 for 2025, $1,850 for 2026, $1,800 for 2027, and $1,750 from 2028 to 2033. The foreign exchange rates used were based on Brazil Central Bank projections as at December 31, 2023 and ranged between R$4.90/USD and R$5.10/USD. Quantities of recoverable reserves and resources and future mineral production were included in projected cash flows based on mineral reserve and resources estimates including all proven and probable reserves and the portion of inferred and indicated resources deemed to hold a probable likelihood of recovery, as undertaken by qualified persons. A post-tax discount rate of 9.1% was used to calculate the present value of the estimated future cash flows from the operation.

Caeté CGU

As at December 31, 2024, the Catita, Boa Vista, Trindade and Serra Paraíso properties were assessed for impairment under IFRS 6, and the Pilar and Roça Grande properties were assessed for impairment under IAS 36. The following were the indicators of changes to impairment identified and assessments performed:

- IFRS 6 impairment assessment: the lack of budgeted expenditures at the Catita property was identified as an indicator of potential impairment. As the Company does not have any planned future investments to develop the property, the Company recorded a $9.8 million impairment provision expense (Note 10), reducing the carrying amount for the property to $nil.

As of December 31, 2023, the Catita, Boa Vista, Camara, Trindade, and Serra Paraíso properties were assessed for impairment under IFRS 6, and the Pilar and Roça Grande properties were assessed for impairment under IAS 36. The following were the indicators of changes to impairment identified and assessments performed:

- IFRS 6 impairment assessment: the lack of budgeted expenditures at the Camara, Trindade, and Serra Paraíso properties was identified as an indicator of potential impairment. As the Company does not have any planned future investments to develop these properties, the Company recorded a $5.0 million impairment charge to reduce the carrying amounts for those properties to $nil.
- IAS 36 impairment assessment: the Company identified indicators of potential impairment for the Caeté CGU, including (i) operating results less favorable than those forecasted, offset by (ii) replenished mineral resource and reserve estimates and (iii) an improved gold price outlook. The Company compared the carrying value to

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the recoverable amount as calculated using key assumptions, including life-of-mine gold price estimates of $1,950 per ounce for 2024, $1,900 for 2025, $1,850 for 2026, $1,800 for 2027, and $1,750 from 2028 to 2030 and foreign exchange rates ranging from R$4.90/USD to R$5.10/USD based on Brazil Central Bank projections. Quantities of recoverable reserves and resources and future mineral production were included in projected cash flows based on mineral reserve and resources estimates including all proven and probable reserves and the portion of inferred and indicated resources deemed to hold a probable likelihood of recovery, as undertaken by qualified persons. A post-tax discount rate of 9.7% was used to calculate the present value of the estimated future cash flows from the operation. Based on the IAS 36 assessment, no impairment charges were deemed necessary.

10. Mineral exploration projects

		Turmalina	Caeté	Onças de Pitangui	Total
Balance as at January 1, 2024		$ -	$ 13,991	$ 6,445	$ 20,436
Reclass between CGUs		6,445	-	(6,445)	-
Impairment (charges)	Note 9	-	(9,755)		(9,755)
Balance as at December 31, 2024		**$ 6,445**	**$ 4,236**	**$ -**	**$ 10,681**
Balance as at January 1, 2023		$ 9,022	$ 19,479	$ -	$ 28,501
Acquisition of IAMGOLD Brazil		-	-	6,445	6,445
Additions		4,122	-	-	4,122
Reclass to PPE		(13,144)	(470)	-	(13,614)
Impairment (charges)		-	(5,018)	-	(5,018)
Balance as at December 31, 2023		$ -	$ 13,991	$ 6,445	$ 20,436

a) Turmalina

As at December 31, 2024, the Company approved a plan to use the Turmalina processing plant to process any future ore to be produced from the Onças de Pitangui mineral exploration project. As a result, the Onças de Pitangui CGU was grouped into the Turmalina CGU and the carrying amount was reclassified accordingly.

In the year ended December 31, 2023, the Company determined that the Faina properties were technically feasible and commercially viable at the Turmalina complex and initiated the mine development of these properties. As a result, the Company reclassified the mineral exploration project balances associated with these properties at December 31, 2023 to mining properties in Property, plant and equipment (Note 9). The carrying amount reclassified was $13.1 million, including $19.2 million in capital asset costs and $6.0 million in accumulated impairment charges allocated from Turmalina. These balances were subject to impairment testing over the Turmalina CGU at the time of their transfer to property, plant, and equipment on December 31, 2023, as further disclosed in Note 9(d).

b) Caeté

The Caeté mineral exploration project includes the following exploration properties: Pilar-sulphide, Boa Vista, Trindade, Serra Paraíso–sulphide, and Roça Grande.

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11. Accounts payable and accrued liabilities

	December 31, 2024	December 31, 2023
Accounts payable	$ 10,449	$ 10,635
Accrued payroll	5,354	5,415
Other	-	32
Total accounts payable and accrued liabilities	$ 15,803	$ 16,082

12. Notes payable

	December 31, 2024	December 31, 2023
Total notes payable	$ 3,044	$ 3,295

As of December 31, 2024, notes payable included $3.0 million in unsecured promissory notes, holding maturities from February 2025 to May 2025 and bearing interest rates ranging from 5.86% to 6.15% per annum. As of December 31, 2023, notes payable included $3.3 million in unsecured promissory notes, holding maturities from February 2024 to May 2024 and bearing interest rates ranging from 6.7% to 6.9% per annum.

13. Right-of-use assets and lease liabilities

a) Right-of-use assets

The Company's significant lease arrangements include contracts for leasing mining equipment. As at December 31, 2024, $8.1 million of right-of-use assets are recorded as property, plant and equipment (Note 9).

	2024	2023
Right-of-use assets, net book value at January 1	$ 7,317	$ 8,686
Additions	4,059	1,400
Disposals	(1,125)	-
Amortization	(2,121)	(2,769)
Right-of-use assets, net book value at December 31	$ 8,130	$ 7,317

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b) Lease liabilities

The Company has acquired certain equipment through the assumption of lease obligations. These obligations are secured by promissory notes. When measuring the value of the lease liabilities, the Company discounted lease payments using its 4.57% weighted average incremental borrowing rate at December 31, 2024 (December 31, 2023 – 5.55%). The following table outlines the total minimum loan payments due for lease obligations over their remaining terms as at December 31, 2024 and December 31, 2023:

	December 31, 2024	December 31, 2023
Less than 1 year	**$ 1,454**	$ 2,112
1 - 3 years	**2,848**	747
3 - 5 years	**-**	82
Total minimum loan payments	**4,302**	2,941
Less: Future finance charges	**(395)**	(396)
Present value of minimum loan payments	**$ 3,907**	$ 2,545
Less: current portion	**1,363**	1,953
Non-current portion	**$ 2,544**	$ 592

For the year ended December 31, 2024, the Company recognized $156,000 in accretion expense and $414,000 in foreign exchange gains on its lease liabilities ($211,000 in accretion expense and $163,000 in foreign exchange losses, for the year ended December 31, 2023). The Company presented $2.4 million in lease liability debt repayments in its statement of cash flows, as further detailed in Note 25(g) ($3.0 million in lease repayments for the year ended December 31, 2023).

14. Income taxes

a) Income tax expense (recovery)

The following table shows the components of current and deferred tax expense:

	December 31, 2024	December 31, 2023
Current income tax expense	**$ 8,783**	$ 4,805
Deferred income tax (recovery)	**(1,434)**	(5,800)
Total income tax expense (recovery)	**$ 7,349**	$ (995)

(Tabular dollar amounts expressed in thousands of US dollars, except per share amounts and number of shares)

Tax rate reconciliation

The provision for income taxes differs from that which would be expected by applying the combined Canadian federal and provincial statutory income tax rate to income (loss) before income taxes. A reconciliation of the difference is as follows:

	December 31, 2024	December 31, 2023
Income before income taxes	**$ 6,062**	$ 14,859
Combined Canadian federal and provincial income tax rate	**26.50%**	26.50%
Expected income tax expense	**$ 1,606**	$ 3,937
Increase (decrease) in tax expense resulting from:		
Acquisition of non capital losses	**$ -**	$ (14,310)
Foreign exchange on deferred taxes	**29,219**	(9,139)
Change in benefit of non-capital losses not recognized	**(41,669)**	15,732
Change in benefit of other temporary differences not recognized	**14,908**	1,047
Difference in foreign tax rate and Canadian tax rate	**147**	1,035
Non-deductible (taxable) expense	**3,138**	703
Income tax expense (recovery)	**$ 7,349**	$ **(995)**

b) Deferred tax assets

Deferred tax assets have not been recognized in respect of the following items:

	December 31, 2024	December 31, 2023
Deductible temporary differences	**$ 93,428**	$ 49,917
Tax losses	**72,255**	198,435

In addition to the deductible temporary differences disclosed above, there is $392.0 million (2023 - $385.2 million) of deductible temporary differences associated with investment in subsidiaries for which deferred tax assets have not been recognized.

Deferred tax assets have not been recognized in respect of these items because it is not probable that future taxable profit will be available against which the Company can utilize the benefits.

(Tabular dollar amounts expressed in thousands of US dollars, except per share amounts and number of shares)

c) Tax losses

As at December 31, 2024, the Company's Canadian non-capital losses, that can be applied against future taxable profit amount to $35.4 million (December 31, 2023 - $43.3 million), and will expire as follows:

Expiry year	December 31, 2024
2035	$ **4,374**
2036	**5,051**
2037	**6,398**
2038	**8,410**
2039	**5,420**
2040	**3,140**
2041	**2,610**
Total	$ **35,403**

The Company has Canadian capital losses of $16.1 million (December 31, 2023 - $17.0 million) which can be carried forward indefinitely. These losses can only be applied against capital gains.

The Company has Brazilian non-capital losses of $123.4 million (equivalent to R$764.3 million) which can be carried forward indefinitely, however only 30% of the taxable income in one year can be applied against the loss carry-forward balance (December 31, 2023 – $171.9 million (equivalent to R$832.2 million).

d) Recognized deferred tax assets and liabilities

The following table summarizes the types of recognized deferred tax assets and liabilities:

	December 31, 2024	December 31, 2023
Deferred tax assets		
Non-capital losses	**$ 32,344**	$ 9,330
Financing fees	**-**	22
Total deferred tax assets	**$ 32,344**	$ 9,352
Deferred tax liabilities		
Unrealized foreign exchange gain	**$ (2,247)**	$ (1,526)
Inventory	**(1,381)**	(654)
Mineral properties	**(21,482)**	(1,372)
Total deferred tax liabilities	**$ (25,110)**	$ (3,552)
Deferred tax assets - net	**$ 7,234**	$ 5,800

(Tabular dollar amounts expressed in thousands of US dollars, except per share amounts and number of shares)

15. Reclamation provisions

	December 31, 2023	Additions (reversals)	Accretion	Payments	Foreign exchange	December 31, 2024
Reclamation provision	$ 27,484	$ 18,507	$ 1,784	$ (5,125)	$ (5,756)	**$ 36,894**
Less: current portion	4,298					**8,585**
Non-current portion	$ 23,186					**$ 28,309**

	December 31, 2022	Additions (reversals)	Accretion	Payments	Foreign exchange	December 31, 2023
Reclamation provision	$ 24,304	$ 2,926	$ 2,685	$ (4,332)	$ 1,901	**$ 27,484**
Less: current portion	3,156					**4,298**
Non-current portion	$ 21,148					**$ 23,186**

The reclamation provisions relate to the cost to decommission the operating facilities and reclaim land that has been disturbed as a result of mining activity.

In the year ended December 31, 2024, the Company recorded a change in estimate to include $18.5 million (approximately R$114.5 million) in additional cost estimates in its reclamation provision, with the counterpart recorded as follows: (i) $5.5 million (approximately R$34.0 million) capitalized to Property, plant and equipment mining properties in its consolidated statement of financial position for additional cost estimates at operating sites and (ii) $13.0 million (approximately R$80.5 million) expensed to Other non-operating expenses in its consolidated statement of operations and comprehensive (loss) income for additional cost estimates at sites on care and maintenance.

In the year ended December 31, 2023, the Company recorded a change in estimate to include $3.0 million (approximately R$14.1 million) in additional cost estimates in its reclamation provision, with the counterpart recorded as follows: (i) $1.7 million (approximately R$8.3 million) capitalized to Property, plant and equipment mining properties in its consolidated statement of financial position for additional cost estimates at operating sites and (ii) $1.3 million (approximately R$5.8 million) expensed to Other non-operating expenses in its consolidated statement of operations and comprehensive (loss) income for additional cost estimates at sites on care and maintenance.

The Company expects to spend approximately $60.5 million (amount undiscounted) on reclamation activities between 2025 and 2034 (December 31, 2023 – $40.2 million between 2024 and 2034). The Company's reclamation provision at December 31, 2024 was calculated as the present value of the expected future cash flows estimated using inflation rates ranging from 5.0% to 3.9% (2023 – 4.5% to 3.5%) and discount rates ranging from 13.1% to 11.9% (2023 – 9.6% to 9.2%).

(Tabular dollar amounts expressed in thousands of US dollars, except per share amounts and number of shares)

16. Legal and other provisions

Various legal, environmental, tax and regulatory matters are outstanding from time to time due to the nature of the Company's operations. For its matters outstanding, management, in conjunction with its internal and external legal counsel, assesses the estimated value at risk and the Company's probability of loss. A provision is recorded for cases in which the Company has determined the probability of loss as more likely than not and the amount can be reasonably estimated. In the event that management's estimate of the future resolution of these matters changes, the Company will recognize the effects of the changes in its consolidated financial statements on the date such changes occur.

As at December 31, 2024, the Company has recognized a provision of $35.7 million (December 31, 2023 - $8.4 million) representing management's best estimate of expenditures required to settle present obligations, as noted in the table below. The ultimate outcome or actual cost of settlement may vary materially from management estimates due to the inherent uncertainty regarding the outcome of the resolution of these matters.

	December 31, 2023	Additions	Reversals/ Transfers	Reclasses	Payments	Foreign exchange	December 31, 2024
Labour litigation [(a)]	$ 6,396	$ 6,086	$ (1,228)	$ -	$ (1,276)	$ (1,840)	**$ 8,138**
Tax litigation	1,279	91	(302)	-	-	(249)	**819**
Civil litigation [(b)]	287	2,946	(76)	-	(151)	(390)	**2,616**
Satinoco provisions[(c)]	-	23,837	-	-	-	-	**23,837**
Other provisions	388	11	(2)	-	-	(85)	**312**
Total legal and other provisions	$ 8,350	$ 32,971	$ (1,608)	$ -	$ (1,427)	$ (2,564)	**$ 35,722**
Less: current portion	5,068						**26,174**
Non-current portion	$ 3,282						**$ 9,548**

	December 31, 2022	Additions	Reversals/ Transfers	Reclasses	Payments	Foreign exchange	December 31, 2023
Labour litigation	$ 5,866	$ 2,263	$ (1,083)	$ 43	$ (1,172)	$ 479	**$ 6,396**
Tax litigation	48	129	(4)	1,074	(16)	48	**1,279**
Civil litigation	1,793	45	(238)	(1,375)	-	62	**287**
Other provisions	85	17	-	258	-	28	**388**
Total legal and other provisions	$ 7,792	$ 2,454	$ (1,325)	$ -	$ (1,188)	$ 617	**$ 8,350**
Less: current portion	3,751						**5,068**
Non-current portion	$ 4,041						**$ 3,282**

a) In September 2024, Brazil's Superior Labour Court (TST) issued a final decision to fine the Company for breaches of labour law for employees who worked on holidays between February 2015 and October 2019. Despite the Company's appeals, which demonstrated proper remuneration for holiday work, the court imposed fines due to the lack of pre-authorization from Brazil's Ministry of Labour. The Company has appealed the calculation method, citing inaccuracies and illegalities, and is awaiting the court's review. As of December 31, 2023, the Company recorded a liability for an estimated loss provision of $1.2 million (R$5.8 million). An additional $3.2 million was recorded in the year ended December 31, 2024, bringing the total liability for the estimated loss provision for this case to $4.4 million (R$27.5 million).

b) In July 2024, the Company received an unfavorable judicial decision from the Minas Gerais Court which ordered the Company to pay R$15.0 million ($2.7 million) for assessed environmental damages related to the rupture of a tailings pipeline at the Paciencia Complex which occurred in 2011. In August 2024, the Company filed an appeal to reassess the decision based on evidence and expert testimony provided and, as at December 31, 2024, the Company is awaiting the court's review and response. In the year ended December 31, 2024, the Company recorded a provision of $2.4 million for the estimated loss from this civil litigation, and as at December 31, 2024, the $2.4 million provision remains outstanding in its consolidated statement of financial position.

c) On December 7, 2024, the Company experienced a slump (the "Incident") in the north wall of the Satinoco dry tailings pile which belongs to the Turmalina Complex and consists of dry-stacked filtered tailings and waste rock. As a result of the Incident, the Company's operating license for the Turmalina mine was suspended until further notice. The mine's personnel and nearby community members were evacuated before the slump occurred, and no injuries were reported.

Material from the slump impacted minor infrastructure at the mine including a maintenance shed, piping that feeds the filter plant, outdoor storage areas and an emergency escape exit from the mine was covered. The lateral extension of the slumped material was only 200 metres however the slump pushed native soil ahead of it which directly affected five houses in the adjacent Casquilho community, which had been evacuated before the Incident occurred. As a result, approximately 85 families were relocated to temporary accommodation, and the Company has been providing crisis management and support personnel on the ground, engaging with the displaced families. The waterways in the area were not impacted by the Incident.

After the Incident, the Company received the following notices: (i) on December 20, 2024, the Company received a notice of infraction applying an environmental liability fine of approximately R$320 million ($51.7 million) from the State Secretariat for the Environment and Sustainable Development (SEMAD) of Minas Gerais, and (ii) on December 09, 2024, the Company became aware of the filing of a Public Civil Lawsuit by the State Public Prosecutor's Office which, among other things, requested the payment of a compensation in the amount of R$200.0 million ($32.3 million). The Company has appealed this notice of infraction and the lawsuit as it views them to be excessive and disproportionate to the scale of the event and the actual impact caused by the Incident.

Furthermore, on March 24, 2025 the Company signed an agreement with the Public Defender's Office of Minas Gerais which established parameters ("Fair Compensation Parameters") to be used in fairly determining the compensation of individuals and families impacted by the Incident. Following the execution of this agreement, the impacted individuals and families will work with the Public Defender's Office to identify their right to a compensation claim under the parameters established and then decide (i) to submit a compensation claim in conformity with the Fair Compensation Parameters, (ii) to submit a compensation claim through a separate litigation to be initiated against the Company, or (iii) to refrain from submitting a compensation claim. If all impacted individuals and families submit claims in conformity with the Fair Compensation Parameters, the Company estimates its cost for compensation will be approximately R$57 million ($9.2 million).

At the current stage of the investigations, assessments of the causes and possible third parties' lawsuits against the Company, it is not possible to determine all costs that may be incurred due to the event and, therefore, the amounts that are being disclosed in these consolidated financial statements took into consideration Management's best estimate and considers the facts and circumstances known at this point in time.

In the year ended December 31, 2024, the Company recorded $26.4 million in expenses related to the Satinoco incident in its consolidated statement of operations and comprehensive (loss) income. As at December 31, 2024, the Company has provisioned R$152.3 million ($23.8 million) in total liabilities related to the Incident in its consolidated statement of financial position to cover eventual indemnities, environmental recovery costs, fines and assessments, according to management's best estimate.

As at the date of issuance of these consolidated financial statements, the Company's operating license for the Turmalina mine remains suspended, and the Company is (i) working diligently in cooperation with local authorities and stakeholders to remedy the impacts made in a fair and transparent manner and (ii) developing its plan to safely and profitably restart mining activities when government authorization is obtained to do so.

(Tabular dollar amounts expressed in thousands of US dollars, except per share amounts and number of shares)

17. Capital stock

a) Common shares

The Company is authorized to issue an unlimited number of common shares. All issued shares are fully paid and have no par value. Changes in common shares for the years ended December 31, 2024 and 2023 are as follows:

		Number of shares		Amount
Balance as at December 31, 2023		79,066,665	$	574,000
Shares issued upon exercise of stock options	Note 17(b)	64,500		175
Shares issued upon redemption of deferred share units	Note 17(c)	176,920		459
Balance as at December 31, 2024		**79,308,085**	**$**	**574,634**
Balance as at December 31, 2022		72,452,927	$	566,716
Shares issued on IAMGOLD acquisition, net of issuance costs	Note 27	6,331,713		6,381
Shares issued upon exercise of stock options	Note 17(b)	84,370		212
Shares issued upon redemption of deferred share units	Note 17(c)	197,655		691
Balance as at December 31, 2023		**79,066,665**	**$**	**574,000**

b) Stock options

The Stock Option Plan ("SOP") provides for the issuance of options to employees, directors, or officers of the Company, its subsidiary, or any of its affiliates, consultants, and management employees.

The aggregate number of shares available at all times for issuance under the SOP shall not exceed 10% of the total issued and outstanding common shares of the Company (calculated on a non-diluted basis). Any option, which has been exercised, cancelled or forfeited, will again be available for grant under the SOP. The Board of Directors has the power to determine terms of any options and units granted under the Company's incentive plans, including setting exercise prices, vesting terms and expiry dates.

The following table shows the movement of stock options for the years ended December 31, 2024 and 2023:

	Number of options		Weighted average exercise price (C$)
Balance as at December 31, 2023	993,792	$	2.59
Options exercised[1]	(64,500)		2.19
Balance as at December 31, 2024	**929,292**	**$**	**2.62**
Balance as at December 31, 2022	1,012,082	$	2.77
Options granted[2]	118,329		1.69
Options exercised[3]	(84,370)		1.89
Options forfeited[4]	(52,249)		5.20
Balance as at December 31, 2023	**993,792**	**$**	**2.59**

1) In the year ended December 31, 2024, officers and directors of the Company exercised a total 64,500 options with a weighted average exercise price of C$2.19. The exercises were paid for with $99,000 in cash proceeds to the Company, and as a result of the options exercised, the Company issued 64,500 common shares. The weighted average share price at the date of exercise of stock options during the year ended December 31, 2024 was C$5.32.

(Tabular dollar amounts expressed in thousands of US dollars, except per share amounts and number of shares)

2) In the year ended December 31, 2023, the Company granted 118,329 stock options to executives of the Company at a weighted average exercise price of C$1.69 and expiry occurring eight years from the grant date.

3) In the year ended December 31, 2023, officers and directors of the Company exercised a total 84,370 options with a weighted average exercise price of C$1.89. The exercises were paid for with $133,000 in cash proceeds to the Company, and as a result of the options exercised, the Company issued 84,370 common shares. The weighted average share price at the date of exercise of stock options during the year ended December 31, 2023 was C$2.68.

4) Relates to forfeitures of options upon resignation of one former executive

The following table sets out the details of the valuation of stock option grants for the year ended December 31, 2024 and 2023, measured using the Black-Scholes option pricing formula:

Grant date	Weighted average exercise price (C$)	Number of options	Risk-free interest rate	Expected Life (number of years)	Volatility Factor	Weighted average grant date fair value per option (C$)
January 27, 2023[1]	2.85	28,329	3.74%	4.00	64%	1.47
November 8, 2023[2]	1.32	90,000	3.88%	4.00	55%	0.62

[1] 28,329 options are exercisable upon vesting and vested when the 15 day VWAP of the Company's shares exceeded C$4.28 per share.

[2] 90,000 options are exercisable upon vesting and vest on an annual basis, in three equal instalments, starting on September 17, 2024.

The expected volatility was estimated using the Company's historical data from the date of grant and for a period corresponding to the expected life of the options.

(Tabular dollar amounts expressed in thousands of US dollars, except per share amounts and number of shares)

The table below shows the outstanding stock options as at December 31, 2024 and 2023:

		Outstanding		Vested	
December 31,	Exercise price (C$)	Number of options	Weighted average remaining contractual life	Number of options	Weighted average remaining contractual life
2024	**$8.70**	**8,500**	**3.64**	**8,500**	**3.64**
2024	**$8.25**	**41,132**	**4.05**	**37,846**	**4.05**
2024	**$4.33**	**50,389**	**6.08**	**46,530**	**6.08**
2024	**$3.70**	**15,000**	**1.06**	**15,000**	**1.06**
2024	**$3.30**	**500**	**0.72**	**500**	**0.72**
2024	**$2.85**	**14,271**	**6.08**	**14,271**	**6.08**
2024	**$2.50**	**97,000**	**3.08**	**97,000**	**3.08**
2024	**$2.20**	**600,000**	**2.59**	**600,000**	**2.59**
2024	**$1.90**	**22,500**	**2.76**	**22,500**	**2.76**
2024	**$1.32**	**60,000**	**6.72**	**-**	**2.76**
2024	**$1.00**	**20,000**	**2.41**	**20,000**	**2.41**
2023	$8.70	8,500	4.64	8,500	4.64
2023	$8.25	41,132	5.06	34,693	5.06
2023	$4.33	50,389	7.08	31,099	7.08
2023	$3.70	15,000	2.07	15,000	2.07
2023	$3.30	20,000	1.73	20,000	1.73
2023	$2.85	14,271	7.08	-	7.08
2023	$2.50	112,000	4.08	112,000	4.08
2023	$2.20	600,000	3.60	600,000	3.60
2023	$1.90	22,500	3.76	22,500	3.76
2023	$1.32	90,000	7.72	-	3.76
2023	$1.00	20,000	3.42	20,000	3.42

For the year ended December 31, 2024, the Company recognized $21,000 in stock-based compensation expense for stock options in the consolidated statements of operations and comprehensive income ($132,000 for the year ended December 31, 2023).

c) Deferred share units – "DSUs"

The deferred share unit plan ("DSU Plan") provides awards to employees, directors, or officers of the Company. DSU means a right to receive, on a deferred basis, previously unissued shares in accordance with the terms of the DSU Plan. DSUs granted to officers, executives, and employees are redeemable upon vesting. DSUs granted to directors are redeemable upon retirement and up to three to twelve months following retirement. Vested DSUs shall be redeemed in whole or in part for shares issued from treasury or, subject to the approval of the Company, cash. The Company accounts for these awards as equity awards. The maximum number of shares reserved for issuance under the DSU Plan, at any time, shall be 3,623,269.

(Tabular dollar amounts expressed in thousands of US dollars, except per share amounts and number of shares)

The following table shows the movement of DSUs for the year ended December 31, 2024 and 2023:

	Number of units		Weighted average grant date fair value (US$)
Balance as at December 31, 2023	843,455	$	3.27
Units granted[1]	290,318		1.45
Units redeemed[2]	(176,920)		2.59
Balance as at December 31, 2024	**956,853**	**$**	**2.84**
Balance as at December 31, 2022	731,338	$	3.74
Units granted[3]	309,772		2.25
Units redeemed[4]	(197,655)		3.42
Balance as at December 31, 2023	**843,455**	**$**	**3.27**

1) On April 3, 2024, the Company granted a total 290,318 DSUs to directors and executives of the Company holding a total grant date fair value of $421,000, measured at US$1.45/share, as follows:

i. 145,159 immediately-vested DSUs to the Company's non-executive directors, all of which vested immediately.
ii. 145,159 time-vested DSUs to non-executive directors, that vested on June 21, 2024.

2) In the year ended December 31, 2024, officers and directors redeemed a total of 176,920 DSUs. The DSU redemptions were settled via issuance of 176,920 common shares, and the corresponding grant date fair value of $459,000 was reclassified within Shareholders' equity accounts from DSUs to Common shares.

3) On January 27, 2023, the Company granted a total 309,772 DSUs to directors and executives of the Company holding a total grant date fair value of $698,000, measured at US$2.25/share, as follows:

i. 12,195 performance-vested DSUs to executives of the Company, that shall vest if the Company's stock price reaches C$4.28 measured on a 15-day VWAP basis.
ii. 148,789 immediately-vested DSUs were granted to the Company's non-executive directors, all of which vested immediately.
iii. 148,788 time-vested DSUs to non-executive directors, that vested on June 30, 2023.

4) In the year ended December 31, 2023, officers and directors redeemed a total of 197,655 DSUs. The DSU redemptions were settled via issuance of 197,655 common shares, and the corresponding grant date fair value of $691,000 was reclassified within Shareholders' equity accounts from DSUs to Common shares.

For the year ended December 31, 2024, the Company recognized $426,000, in stock-based compensation expense for DSUs in the consolidated statements of operations and comprehensive income ($752,000, for the year ended December 31, 2023).

18. Basic and diluted earnings per share

Dollar amounts and share amounts in thousands, except per share amounts.

	Years ended December 31, 2024	2023
Numerator		
Net income for the purpose of basic and diluted income per share	**$ (1,287)**	$ 15,854
Denominator		
Weighted average number of common shares outstanding - basic	**79,176,793**	74,596,125
Stock Options	**-**	20,240
Deferred share units	**-**	872,497
Weighted average number of common shares outstanding - diluted	**79,176,793**	75,488,862
Basic income per share	**$ (0.02)**	$ 0.21
Diluted income per share	**$ (0.02)**	$ 0.21

The determination of the weighted average number of common shares outstanding for the calculation of diluted earnings per share does not include the following effect of options and deferred shares units which were anti-dilutive to earnings per share in the period:

	Years ended December 31, 2024	2023
Stock options	**929,292**	973,552
Deferred share units	**956,853**	-
Anti-dilutive instruments	**1,886,145**	973,552

19. Operating costs

		Years ended December 31, 2024	2023
Direct mining and processing costs	*Note 6*	**$ 68,918**	$ 75,299
Royalty expense and CFEM taxes[1]		**4,352**	4,007
Other costs		**-**	78
Operating costs		**$ 73,270**	$ 79,384

[1] CFEM - Compensação Financeira pela Exploração Mineral taxes are Brazil mining royalty fees levied by the Federal government as financial compensation for mineral exploitation.

(Tabular dollar amounts expressed in thousands of US dollars, except per share amounts and number of shares)

20. Other non-operating expense (income)

		Years ended December 31, 2024	2023
Interest income		**$ (1,406)**	$ (1,079)
Loss (gain) on disposition of property, plant and equipment	*Note 21*	**1,403**	(838)
Loss on sales of ICMS and other recoverable taxes		**347**	465
Changes in provisions against other accounts receivable	*Note 8*	**-**	1,000
Changes in reclamation provisions for sites on care and maintenance [(a)]	*Note 15*	**13,016**	1,257
Other non-operating (income)		**(514)**	(849)
Total other non-operating expense (income)		**$ 12,846**	$ (44)

a) Refers to changes in reclamation provisions for sites on care and maintenance as described in Note 15.

21. Cash flow – other activities – non-cash adjustments

		Years ended December 31, 2024	2023
Stock-based compensation		**$ 447**	$ 884
Unrealized (gain) on short-term investments		**(48)**	-
Loss (gain) on disposition of property, plant and equipment	*Note 20*	**1,403**	(838)
(Reversals) additions to provision against recoverability of VAT and other taxes	*Note 7*	**(423)**	(342)
Other activities expenses (recoveries)		**$ 1,379**	$ (296)

22. Cash flow – changes in operating assets and liabilities

		Years ended December 31, 2024	2023
Restricted cash		**$ (120)**	$ (421)
Inventory		**453**	792
Recoverable taxes		**(433)**	4,325
Other accounts receivable		**(18)**	33
Prepaid expenses and other assets		**(670)**	2,061
Accounts payable and accrued liabilities		**1,066**	(3,923)
Other taxes payable		**(930)**	(1,002)
Reclamation provisions	*Note 15*	**(5,125)**	(4,332)
Legal and other provisions	*Note 16*	**(1,427)**	(1,188)
Changes in operating assets and liabilities		**$ (7,204)**	$ (3,655)

(Tabular dollar amounts expressed in thousands of US dollars, except per share amounts and number of shares)

23. Financial liabilities and other commitments

In the normal course of business, the Company enters into contracts that give rise to commitments for future minimum payments. The following table summarizes the remaining undiscounted contractual maturities of the Company's financial liabilities and other commitments:

As at December 31, 2024	Less than 1 year	1 - 3 years	3 - 5 years	More than 5 years	Total
Financial Liabilities					
Accounts payable and accrued liabilities	$ 15,803	$ -	$ -	$ -	**$ 15,803**
Other Taxes Payable[a]					
ICMS Settlement Due	193	-	-	-	**193**
INSS	145	-	-	-	**145**
IRPJ & CSLL Settlement Due	149	15	-	-	**164**
Notes payable[b]					
Principal	2,670	-	-	-	**2,670**
Interest	374	-	-	-	**374**
Lease liabilities	1,454	2,848	-	-	**4,302**
Total financial liabilities	$ 20,788	$ 2,863	$ -	$ -	**$ 23,651**
Other Commitments					
Reclamation provisions[c]	9,706	18,795	21,198	10,796	**60,495**
Legal and other provisions[d]	26,174	9,548	-	-	**35,722**
Current tax liability	1,422	-	-	-	**1,422**
Suppliers' agreements[e]	3,779	36	-	-	**3,815**
Insurance agreements[f]	90	-	-	-	**90**
Total other commitments	$ 41,171	$ 28,379	$ 21,198	$ 10,796	**$ 101,544**
Total	**$ 61,959**	**$ 31,242**	**$ 21,198**	**$ 10,796**	**$ 125,195**

[a] Financial liabilities within Other taxes payable include state value-add taxes payable (*ICMS – Imposto sobre circulação de mercadorias e prestação de serviços*), payroll taxes payable (*INSS - Instituto Nacional do Seguro Social*), and federal income taxes payable (*iRPJ - Imposto de renda pessoa jurídica and CSLL - Contribuição social*).

[b] Notes payable represents the principal on Brazilian short-term bank loans with 180 day maturities.

[c] Reclamation provisions - amounts presented in the table represent the undiscounted uninflated future payments for the expected cost of reclamation.

[d] Legal and other provisions - includes commitments estimated to settle the Company's legal and other provisions (Note 16), including $23.8 million related to the Satinoco incident and $11.9 million for other labour, civil and tax litigations.

[e] Purchase obligations for supplies and consumables - includes commitments related to new purchase obligations to secure a supply of cyanide, reagents, mill balls and other spares. The Company has the contractual right to cancel the mine operation contracts with 30 to 90 days advance notice. The amount included in the commitments table represents the contractual amount due within 30 to 90 days.

[f] Insurance premium commitments in accordance with the Company's liability and property insurance policies.

24. Capital disclosures

The Company manages its capital structure in order to support the acquisition, exploration and development of mineral properties, and to maximize return to stakeholders through a flexible capital structure which optimizes the costs of capital and the debt and equity balance. The Company sets the amount of capital in proportion to risk by managing the capital structure and making adjustments in light of changes in economic conditions and the risk characteristics of the underlying assets. To adjust or maintain its capital structure, the Company may adjust the amount of long-term debt, enter into new credit facilities, issue new equity, or enter into new customer advance arrangements.

As at December 31, 2024, the Company's capital structure is composed of $3.0 million in notes payable and $239.5 million in shareholders' equity (December 31, 2023: $3.3 million in notes payable and $240.3 million in shareholders' equity). As at December 31, 2024 and December 31, 2023, the Company was not subject to externally imposed capital requirements.

25. Financial risk management and financial instruments

The Company's activities expose it to a variety of financial instrument risks, including but not limited to: credit risk, liquidity risk, currency risk, interest rate risk, and price risk.

a) Credit risk

Credit risk associated with financial assets arises from cash and cash equivalents held with banks, recoverable taxes refundable from tax authorities, and other accounts receivable due to credit exposure to customers and counterparties to sales agreements. The credit risk is limited to the carrying amount on the statement of financial position.

The Company is exposed to credit-related losses in the event of non-performance by counterparties to recoverable tax claims and sales agreements, but does not expect any counterparties to fail to meet their obligations. The Company's cash and cash equivalents are held through large financial institutions in Brazil, Canada, and the United States of America. The Company manages its credit risk by entering transactions with high-credit quality counterparties, limiting the amount of exposure to each counterparty where possible, and monitoring the financial condition of the counterparties.

In the year ended December 31, 2024, the Company recorded a $nil in provisions against its other accounts receivable balance due from BHP Ltd., as further disclosed in Note 8 ($1.0 million, in the year ended December 31, 2023).

b) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing this risk is to ensure sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage.

To manage its liquidity risk, the Company conducts an in-depth budgeting process each year which is supplemented by a continuous detailed cash forecasting process. Future financing requirements, if any, will depend on a number of factors that are difficult to predict and are often beyond the control of the Company. The main factors are the realized price of gold received for gold produced from the Company's operating mines and the operating and capital costs of those mines. The Company's financial liabilities and other commitments are listed in Note 23.

c) Derivative financial instruments

The Company assesses its financial instruments and non-financial contracts on a regular basis to determine the existence of any embedded derivatives which would be required to be accounted for separately at fair value and to ensure that any embedded derivatives are accounted for in accordance with the Company's policy. On an ongoing basis, the Company evaluates its price risk and currency risk and, when envisioned to be beneficial, engages in derivative financial instruments to manage these risks, including gold forward contracts, gold price collar contracts, gold call option contracts, and foreign exchange call and put option contracts. As at December 31, 2024, the Company did not have any derivative positions outstanding (December 31, 2023 – nil positions outstanding).

(Tabular dollar amounts expressed in thousands of US dollars, except per share amounts and number of shares)

1) Price risk

The Company is exposed to price risk with respect to gold prices on gold sales. The Company evaluates price risk and, when envisioned to be beneficial, may enter into hedge contracts to manage this risk and to secure future sales terms with customers. The Company does not use hedge accounting for these instruments and gain and losses are recorded in earnings as fair value changes occur as a component of revenue. In the year ended December 31, 2024, the Company did not enter into any price hedge contracts (no price derivative contracts in the year ended December 31, 2023).

2) Currency risk

The Company is exposed to the financial risk related to the fluctuation of foreign exchange rates. Financial instruments that impact the Company's net earnings due to currency fluctuations include:
- Brazilian reais denominated cash and cash equivalents, other accounts receivable, recoverable taxes, restricted cash, accounts payable and accrued liabilities, lease liabilities, income taxes payable, reclamation provisions, and legal and other provisions;
- Canadian dollar denominated cash and cash equivalents, recoverable taxes and accounts payable and accrued liabilities, and
- Euro denominated lease obligations.

i. Assets and liabilities with foreign exchange ('FX') exposure

The exposure of the Company's financial assets and liabilities (and certain other assets and liabilities) to currency risk is as follows, as at December 31, 2024:

	Denominated in Brazilian reais	Denominated in Canadian dollars	Denominated in European euros
Assets with FX exposure			
Cash and cash equivalents	$ 3,761	$ 162	$ -
Short term investment	-	1,438	-
Recoverable taxes	6,102	171	-
Other accounts receivable	328	-	-
Restricted cash	1,676	-	-
Total assets with FX exposure	$ 11,867	$ 1,771	$ -
Liabilities with FX exposure			
Accounts payable and accrued liabilities	$ 14,646	$ 31	$ -
Lease liabilities	3,532	-	27
Current tax liability	1,422	-	-
Reclamation provision	36,894	-	-
Legal and other provisions	35,722	-	-
Other liabilities	8,672	-	-
Total liabilities with FX exposure	100,888	31	27
Net assets/(liabilities) with FX exposure	$ (89,021)	$ 1,740	$ (27)

(Tabular dollar amounts expressed in thousands of US dollars, except per share amounts and number of shares)

The table below summarizes a sensitivity analysis for significant unsettled currency risk exposure with respect to the Company's financial instruments (and certain other assets and liabilities) as at December 31, 2024 with all other variables held constant. It shows how income before taxes would have been affected by 10% changes in the foreign exchange rate.

Exchange Rates	Change for Sensitivity Analysis	Gain/(loss) of change to 2024 Foreign Exchange
USD per Brazilian real	10% increase	**$ 8,093**
USD per Brazilian real	10% decrease	**(8,093)**
USD per Canadian dollar	10% increase	**(158)**
USD per Canadian dollar	10% decrease	**158**
USD per European euro	10% increase	**(2)**
USD per European euro	10% decrease	**2**

d) Interest rate risk

The Company is potentially exposed to interest rate risk on its outstanding borrowings and short-term investments. The Company managed its risk by entering into agreements with fixed interest rates on all of its notes payable with interest rates ranging from 5.53% to 6.92% per annum.

e) Inflation risk

The Company is exposed to risk with respect to inflation. Inflation risk refers to the potential for rising prices in an economy to erode the value of the purchasing power of the Company's cash over time. The Company manages its exposure to inflation risk through a detailed and continuous cost review and cash forecasting process.

f) Financial instruments

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. In assessing the fair value of a particular contract, the market participant would consider the credit risk of the counterparty to the contract. Consequently, when it is appropriate to do so, the Company adjusts its valuation models to incorporate a measure of credit risk. The fair value of the following financial assets and liabilities approximate their carrying amount due to the limited term of these instruments:

a. Cash and cash equivalents
b. Short-term investments
c. Restricted cash
d. Other accounts receivable
e. Accounts payable and accrued liabilities
f. Notes payable
g. Other provisions

Fair value estimation:

The Company categorizes each of its fair value measurements in accordance with a fair value hierarchy. The fair value hierarchy establishes three levels to classify the inputs to valuation techniques used to measure fair value.

a. Level 1 – quoted prices (unadjusted) of identical instruments in active markets that the reporting entity has the ability to access at the measurement date.

(Tabular dollar amounts expressed in thousands of US dollars, except per share amounts and number of shares)

b. Level 2 – inputs are quoted prices of similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; inputs other than quoted prices used in a valuation model that are observable for that instrument; and inputs that are derived principally from or corroborated by observable market data by correlation or other means.

c. Level 3 – one or more significant inputs used in a valuation technique that are unobservable for the instruments.

Determination of fair value and the resulting hierarchy requires the use of observable market data whenever available. The classification of a financial instrument in the hierarchy is based upon the lowest level of input that is significant to the measurement of fair value.

The fair value of the Company's financial assets and liabilities approximate their carrying values at December 31, 2024 and 2023.

g) Changes in liabilities arising from financing activities

		Changes from financing cash flows			Other changes				
	Balance as at January 1, 2024	Proceeds from debt issuance	Debt repayments	Interest paid	Interest expense	Lease liability additions	Foreign exchange (gain) loss	Other non-cash changes	**Balance as at December 31, 2024**
Notes payable	$ 3,295	$ 6,000	$ (6,208)	$ (196)	$ 194	$ -	$ (35)	$ (6)	**$ 3,044**
Lease liabilities	2,545	-	(2,390)	(49)	156	4,059	(414)	-	**3,907**
	$ 5,840	$ 6,000	$ (8,598)	$ (245)	$ 350	$ 4,059	$ (449)	$ (6)	**$ 6,951**

		Changes from financing cash flows			Other changes				
	Balance as at January 1, 2023	Proceeds from debt issuance	Debt repayments	Interest paid	Interest expense	Lease liability additions	Foreign exchange (gain) loss	Other non-cash changes	**Balance as at December 31, 2023**
Notes payable	$ 3,040	$ 6,000	$ (6,254)	$ (186)	$ 208	$ -	$ 24	$ 463	**$ 3,295**
Lease liabilities	3,964	-	(3,035)	(91)	211	1,400	96	-	**2,545**
	$ 7,004	$ 6,000	$ (9,289)	$ (277)	$ 419	$ 1,400	$ 120	$ 463	**$ 5,840**

26. Related party transactions

a) Transactions with directors and key management

The Company transacts with key individuals from management and with its directors who have authority and responsibility to plan, direct and control the activities of the Company. The nature of these dealings were in the form of payments for services rendered in their capacity as director (director fees, including share-based payments) and as employees of the Company (salaries, benefits, and share-based payments).

Key management personnel are defined as the executive officers of the Company including the President and Chief Executive Officer, Chief Financial Officer, Vice President of Business Development, Vice President of Exploration, and Vice President of Finance and Projects.

(Tabular dollar amounts expressed in thousands of US dollars, except per share amounts and number of shares)

During the years ended December 31, 2024 and 2023, remuneration to directors and key management personnel were as follows:

	Years ended December 31,	
	2024	2023
Fees earned and other compensation[1]	**$ 1,611**	$ 1,695
Share based compensation	**711**	880
Total compensation of directors and key management	**$ 2,322**	$ 2,575

[1] Fees earned and other compensation includes fees paid to the non-executive chairman and the non-executive directors during the financial year.

b) Other related party transactions

The Company incurred legal fees from Azevedo Sette Advogados ("ASA"), a law firm where Luis Miraglia, a director of Jaguar is a partner. Fees paid to ASA are recorded at the exchange amount, representing the amount agreed to by the parties and included in general and administrative expenses in the consolidated statements of operations and comprehensive income. Legal fees paid to ASA were $129,000 for the year ended December 31, 2024 ($57,000 for the year ended December 31, 2023).

The Company incurred office rent expenses from Orix Geoscience 2018 Inc. ("Orix"), a mineral exploration service firm where Shastri Ramnath, a director of Jaguar is the Chair and Co-Owner. Rent expenses paid to Orix were $15,000 for the year ended December 31, 2024 ($nil for the year ended December 31, 2023).

27. IAMGOLD Brazil Acquisition

On September 13, 2023, the Company completed its acquisition ("the Acquisition") of IAMGOLD Brasil Prospecções Minerais Ltda. ("IAMGOLD Brazil") from AGEM Ltd. (the "Vendor") which is a subsidiary of IAMGOLD Corporation (NYSE: IAG) (TSX: IMG) ("IAMGOLD"). Through this transaction the Company acquired a 100% interest in the Pitangui Project and the remaining interest in the Acurui Project, two gold mineral exploration projects located in proximity to the Company's Turmalina Complex and Paciência Complex in Brazil. As consideration transferred to acquire IAMGOLD Brazil, the Company:

a) issued the Vendor 6,331,713 common shares in the capital of the Company;
b) granted the Vendor a net smelter returns royalty on gold sales from the Pitangui Project, as follows: (i) US$80 per gold ounce sold for the initial 250,000 ounces of gold sold and (ii) 1.5% multiplied by the net smelter returns realized, for gold sales in excess of 250,000 ounces; and
c) granted the Vendor a net smelter returns royalty on all gold sales from the Acurui Project, equivalent to 1.5% multiplied by the net smelter returns realized.

The Company determined that IAMGOLD Brazil did not qualify as a business at the time of Acquisition; therefore, the transaction was considered an acquisition of the net assets of IAMGOLD Brazil and accounted for according to the acquisition method with an allocation of the purchase consideration to the estimated fair values of the identifiable assets and liabilities acquired at the date of the Acquisition.

(Tabular dollar amounts expressed in thousands of US dollars, except per share amounts and number of shares)

The total purchase price was allocated based on the estimated fair value of the assets and the liabilities acquired as set out in the following table:

Consideration paid		Total
Fair value of 6,331,713 common shares issued by Jaguar [(a)]	$	6,401
Direct acquisition costs		80
Fair value of royalties granted [(b)]		-
Total consideration paid	**$**	**6,481**

a) The fair value of the common shares as part of the consideration issued was determined using the Company's closing share price of $1.011 on September 13, 2023. The Company's issuance of equity instruments to the Vendor in exchange for net assets received was recognized as an increase to common shares in the consolidated statement of changes in shareholders' equity, in accordance with IFRS 2 Share-based Payment.

b) The royalties granted to the Vendor represent contingent consideration which shall be owed to the Vendor only if the Company is successful in developing the Pitangui and Acurui projects into operating mines. Given the status of the Pitangui and Acurui projects at the date of acquisition where the technical and commercial feasibility of these projects has not yet been determined, the fair value of the royalties granted was assessed as $nil as at the date of acquisition.

Assets acquired and liabilities assumed were recorded at their respective fair values at the date of acquisition as follows:

Estimated fair value of IAMGOLD Brazil assets and liabilities at the acquisition date of September 13, 2023		Total
Cash and cash equivalents	$	124
Recoverable taxes		6
Prepaid expenses and advances		2
Property, plant and equipment		6
Mineral exploration projects		6,445
Accounts payable and accrued liabilities		(102)
Assets acquired and liabilities assumed	**$**	**6,481**

During the year ended December 31, 2023, the Company incurred $20,000 in share issuance costs recorded as a decrease to common shares in the consolidated statements of changes in shareholder's equity and $80,000 in direct acquisition costs capitalized to Mineral exploration projects in the consolidated statement of financial position.