



# Management's Discussion and Analysis

For the three-month periods ended March 31, 2025 and 2024

## TABLE OF CONTENTS

1.	Introduction.....	3
2.	Overview and description of the business .....	3
3.	Outlook.....	4
4.	Company highlights and financial information .....	4
5.	Summary of royalty assets and other interests owned by Versamet.....	5
6.	Summary of annual data and quarterly results .....	11
7.	Results of operations.....	14
8.	Liquidity and capital resources .....	15
9.	Transactions with related parties.....	18
10.	Disclosure of data for outstanding Common Shares, stock options, RSUs and PRSUs .....	19
11.	Non-IFRS measures.....	19
12.	Off-balance sheet arrangements .....	23
13.	Significant estimates and judgments.....	23
14.	Financial instruments and capital management .....	24
15.	Other risk factors .....	26
16.	Limitations of controls and procedures.....	26
17.	Cautionary note regarding forward-looking statements .....	26

## 1. Introduction

This Management's Discussion and Analysis ("MD&A") of Versamet Royalties Corporation. ("Versamet" or the "Company") has been prepared by management as of May 28, 2025, and should be read in conjunction with the Company's unaudited condensed interim financial statements for the three months ended March 31, 2025 and 2024 and related notes thereto which have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board (the "Financial Statements"). Readers are also encouraged to consult the Company's audited financial statements for the years ended December 31, 2024 and 2023 and the corresponding notes to these financial statements which are available as part of the Company's final long form prospectus dated May 12, 2025, available on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca). Unless otherwise specified, all financial information in this MD&A has been prepared in accordance with IFRS. All dollar amounts herein are expressed in U.S. dollars, the Company's functional currency, unless stated. References to C\$ are to Canadian dollars.

This MD&A contains forward-looking statements and should be read in conjunction with the risk factors described under "Other risk factors" and "Cautionary note on forward-looking statements" in this MD&A.

The head office, principal address and registered office of Versamet is located at Suite 3200, 733 Seymour St, Vancouver, British Columbia, V6B 5J3.

## 2. Overview and description of the business

Versamet is a diversified metals royalty and streaming company with exposure to a range of resource royalties and streams including gold, silver, copper, zinc, graphite and uranium, across a variety of jurisdictions. Typically, in return for making an upfront payment to acquire a royalty or stream on a mining operation or project, Versamet receives a portion of the revenue generated from the mine on an ongoing basis, usually over the life of the mine or receives metal deliveries over a pre-determined period or up to a pre-determined quantity.

The Company is focused on building a diverse portfolio of royalty and streaming assets, and to date, has built a portfolio of 25 mining royalties, ranging from those which are currently under exploration through to those which are in production and which are already cash-generating for Versamet. In addition, the Company is party to a gold purchase agreement ("GPA") on the Greenstone mine in Ontario ("Greenstone").

On May 14<sup>th</sup> the Company filed a final long form prospectus with the British Columbia Securities Commission and the Company's shares started trading on the TSX Venture Exchange on May 20, 2025.

On April 1, 2025, the company announced that it has entered into an agreement with Endeavour Silver Corp. and certain of its wholly-owned subsidiaries (collectively "Endeavour Silver"), to support the proposed acquisition of Compañía Minera Kolpa, the owner of the polymetallic Huachocolpa Uno mine located in the district of Huachocolpa within the province and department of Huancavelica, Peru (collectively "Kolpa").

Pursuant to the terms of the agreement with Endeavour Silver, on May 1, 2025 Versamet acquired a copper stream on Kolpa for total up-front cash consideration of US\$35 million. Versamet acquired the right to initially purchase refined copper equal to the greater of i) 95.8% of produced copper (irrespective of the copper payable under the relevant offtake agreement) and ii) 0.03 pounds of copper per pound of produced lead from Kolpa. Once 6,000 tonnes of refined copper have been delivered, Versamet will have the right to purchase 71.85% of produced

copper. Once 10,500 tonnes of refined copper have been delivered, Versamet will have the right to purchase 47.9% of produced copper. Versamet will make ongoing cash payments of 10% of the spot copper price for each tonne of refined copper delivered.

Kolpa has been in continuous operation for more than 25 years and has a long history of reserve replacement and resource expansion and will be immediately cash-flowing for Versamet.

The Company further expects cash flow to grow over time through exposure (via its royalties and other interests) to potential exploration success, throughput expansions, mine life extensions and new mine builds. Through the process of building a diverse portfolio of royalty and other interests, management of Versamet believes it is maximising upside potential to strengthening metal prices and resource growth, while minimizing downside risk.

Versamet's current royalties are detailed further below under **"5. Summary of royalty assets and other interests owned by Versamet"**. The Company is continually assessing potential opportunities to grow its portfolio of assets through acquisition opportunities, and in doing so is supported by its largest shareholders, B2Gold (~33%), Sandstorm (~25%) and Equinox Gold Corp. ("Equinox") (~13%), Regal Resources Royalties Fund (~ 7%) and Beedie Investments Ltd ("Beedie Capital") (~2%).

### 3. Outlook

In addition to the acquisition noted above, the Company is continuously assessing various other acquisition opportunities and intends to grow through the acquisition of existing royalties and streams as well as investing in newly-created royalties and streams (see **"2. Overview and description of the business"**).

Management of Versamet expects to fund any acquisitions through a combination of cash on hand and debt and/or equity financing.

### 4. Company highlights and financial information

#### Three months ended March 31, 2025

- The Company recorded revenue of \$3.5 million during the three months ended March 31, 2025 from the GPA and the Mercedes royalty;
- Attributable Gold Equivalent ounces (see **"11. Non-IFRS measures"**) for the three months ended March 31, 2025 was 1,211 compared with 1,308 for the comparable period in 2024.
- The Company earned net income of \$1.8 million and adjusted net income before finance expense, interest, taxation and depletion of \$1.5 million during the three months ended March 31, 2025. See **"11. Non-IFRS measures"**.
- The Company earned net cash flows from operations of \$0.7 million and cash flows from operations before working capital changes of \$1.5 million for the three months ended March 31, 2025. See **"11. Non-IFRS measures"**.

### Post the three months ended March 31, 2025

- On April 30, 2025, the Company entered into a First Amending Agreement with Bank of Montreal (“BMO”) and National Bank of Canada in relation to the Revolving Credit Facility of Versamet to increase the credit facility from \$30 million to \$60 million (“the Amended RCF”) (see “8. Liquidity and capital resources”).
- On April 30, 2025, the Company fully repaid the outstanding balance on the Beedie Convertible Loan, leaving an outstanding liability of \$nil (see “8. Liquidity and capital resources”).
- On May 1, 2025, the Company acquired a copper stream on Kolpa for total up-front cash consideration of US\$35 million (see “2. Overview and description of the business”).
- On May 14, 2025, the Company filed a final prospectus with the British Columbia Securities Commission and the Company’s shares started trading on the TSX Venture Exchange on May 20, 2025.

### Revenue and Attributable Gold Equivalent Ounce Performance

The following table summarizes the Company’s revenue from royalty and stream interests during the three months ended March 31, 2025 and 2024 (see 11. Non-IFRS measures):

	Three months ended March 31, 2025 \$	Three months ended March 31, 2024 \$
<b>Revenue from royalties and streams</b>		
Greenstone gold purchase agreement	2,995,125	2,165,800
Mercedes	458,398	531,215
<b>Total Revenue</b>	<b>3,453,523</b>	<b>2,697,015</b>

The following table summarizes the Company’s Attributable Gold Equivalent ounces from royalty and stream interests during the three months ended March 31, 2025 and 2024 (see 11. Non-IFRS measures):

	Three months ended March 31, 2025	Three months ended March 31, 2024
<b>Attributable Gold Equivalent ounces</b>		
Greenstone gold purchase agreement	1,050	1,050
Mercedes	161	258
<b>Total Attributable Gold Equivalent ounces</b>	<b>1,211</b>	<b>1,308</b>

## 5. Summary of royalty and other interests owned by Versamet

### Greenstone Gold Interest:

Versamet is party to a gold interest on the Greenstone mine in Ontario owned by Equinox. On October 31, 2023, Versamet paid \$52.5 million to Equinox in exchange for monthly deliveries equal to the greater of: (a) 350 gold ounces, and (b) gold ounces equal to 1.26% of the monthly gold production from Greenstone (on a 100% basis) at a purchase price per ounce of gold equal to 20% of the then prevailing market price. Monthly gold delivery obligations

commenced upon closing of the GPA and will continue until a total of 63,000 ounces of gold have been delivered to Versamet. While gold deliveries will be calculated based on Greenstone production, gold deliveries can be sourced from production from any of Equinox's operating mines. Under the GPA, Equinox retains the option to buy-down deliveries related to up to 75% of the original delivery obligation at the then current spot gold price, subject to a minimum gold price per ounce of \$2,000.

**Royalty and other interests:**

As of the date of this MD&A, in addition to the GPA, Versamet currently owns 25 royalties, of which two are currently cash-generating for Versamet and an additional two are expected to be cash-flowing in 2025. A description of the royalties and other interests of Versamet is included below. Versamet does not conduct mining operations on the properties in which it holds a royalty or other interest, and as such it is not required to contribute to capital costs, exploration costs, environmental costs or other operating costs on those properties.

Management of Versamet believes diversification of our royalties, both in terms of project, metal type and jurisdiction will be key in the Company's success as it is well positioned to take advantage of strengthening metals prices while minimizing downside risk.

A full listing of the Company's royalty and other interests (including the GPA) is presented in the table below:

Project	Location	Details %	Product	Project Ownership
<b>Producing</b>				
Greenstone	Canada	1.26 interest <sup>1</sup>	Au	Equinox Gold Corp.
Mercedes	Mexico	2.0 NSR	Au, Ag	Bear Creek Mining Corporation
Kolpa	Peru	95.8% stream <sup>2</sup>	Cu	Endeavour Silver Corp.
<b>Near-term cash flowing</b>				
Blackwater	Canada	0.21 NSR <sup>3</sup>	Au	Artemis Gold Inc.
El Pilar	Mexico	1.0 GRR <sup>4</sup>	Cu	Southern Copper Corp.
Kiaka	Burkina Faso	2.7 NSR <sup>5</sup>	Au	West African Resources
Toega	Burkina Faso	2.7 NSR <sup>6</sup>	Au	West African Resources
Vittangi	Sweden	1.0 NSR	Graphite	Talga Group Ltd
<b>Development</b>				
Converse	USA	1.0 NSR	Au, Ag	Waterton Global Resource Management
Cuiú Cuiú	Brazil	1.5 NSR	Au, Ag	Cabral Gold Inc
Hackett River	Canada	2.0 NSR	Zn, Ag, Cu, Pb, Au	Glencore Canada Corp
Mason	USA	0.4 NSR	Cu, Au, Mo, Ag	Hudbay Minerals Inc
Prairie Creek	Canada	1.2 NSR	Zn, Pb, Ag	NorZinc. Ltd
Pilar	Brazil	1.0 NSR	Au	Pilar Gold Inc
<b>Exploration</b>				
Adi Dairo	Ethiopia	1.0 NSR	Cu, Zn, Au	Sun Peak Metals Corp
Ajax	Canada	1.5 NSR	Cu, Au, Ag	KGHM / Abacus Mining & Exploration Co.
Bobosso	Cote d'Ivoire	1.0 NSR	Au	Montage Gold Corp
Del Norte	Canada	1 NSR	Au, Ag	Teuton Resources Corp.
Golden Sidewalk	Canada	2.0% NSR	Au	Prosper Gold Corp.
Midas	Canada	1 NSR	Au, Ag	Teuton Resources Corp.
Mocoa	Colombia	2.0% NSR	Cu, Mo	Libero Copper & Gold Corporation
Nefasit	Ethiopia	1.0 NSR	Cu, Zn, Au	Sun Peak Metals Corp
Pacaska	Peru	0.5 NSR	Au, Cu	Pucara Gold Ltd
Primavera	Nicaragua	1.5 NSR	Au, Cu	Calibre Mining Corp.
Wiluna	Australia	2.0 NSR	Uranium	Toro Energy Limited
Zuun Mod	Mongolia	1.5 NSR	Mo, Cu	Erdene Resource Development Corp

- Greater of i) 1.26% of monthly production at Greenstone (100%), or ii) 350 koz Au, until 63,000 ounces Au have been delivered; gold deliveries subject to per-ounce payments equal to 20% of the prevailing spot gold price at time of delivery.
- Greater of i) 95.8% of produced copper and ii) 0.03 tonnes of copper per tonne of produced lead until 6,000 tonnes of copper delivered; 71.85% of produced copper until 10,500 tonnes of copper delivered; 47.9% of produced copper thereafter; copper deliveries subject to payments equal to 10% of spot price.
- 0.21% net smelter returns royalty applicable to approximately 35–50% of production (Versamet management estimate).
- 1.0% gross revenue royalty excludes first 85 Mlbs of payable copper production.
- 2.7% NSR royalty (100% basis) until 2.5 Moz Au produced; 0.45% NSR royalty on the next 1.5 Moz Au.
- 2.7% NSR royalty (100% basis) until royalty payments total US\$22.5 million; 0.45% NSR royalty thereafter until 1.5 Moz produced.

## Q1 2025 Portfolio Updates

This section provides updates to the Company's portfolio of assets. Where there are no material updates in the quarter, no discussion has been included.

### Producing assets

#### **Greenstone Mine, Ontario, Canada (1.26% interest)**

##### **Au**

Greenstone produced 44,449 oz Au during the first quarter of 2025, continuing to ramp up post declaration of commercial production on November 6, 2024. Production was affected by lower grades processed and reduced leach tank availability. Production is expected to increase in the coming months as mine sequencing takes the pit into higher grade areas.

As per the GPA, monthly gold deliveries to Versamet commenced in November 2023 at the stated minimum amounts of 350 oz of gold per month and have continued at this level to the date of this MD&A. Attributable Gold Equivalent ounces from Greenstone during the three months ended March 31, 2025 was 1,050 (2024: 1,050).

For more information, please refer to Equinox's news release dated May 8, 2025.

#### **Kolpa, Peru (95.8% Cu stream with Pb linked minimums)**

##### **Cu**

On May 1, 2025 Endeavour Silver announced the completion of the acquisition of Minera Kolpa and its main asset the Huachocolpa Uno Mine ("Kolpa"), commencing delivery obligations of our stream. While the first quarter of 2025 predates Endeavour Silver ownership and our stream, results were provided, with Kolpa producing 567,269 ounces of silver along with 5,302 tonnes (11.7 M lbs) of lead, 3,416 tonnes of zinc and 72 tonnes (0.159 M lbs) of copper, totaling approximately 1.2 million silver-equivalent ounces. If our stream had been active during the first quarter of 2025, the lead-copper minimums would have been higher than copper produced, resulting in a stream delivery of ~350,000 pounds of copper.

For more information, please refer to Endeavour Silver's news release dated May 1, 2025.

#### **Mercedes Mine Royalty, Sonora, Mexico (2% NSR)**

##### **Au, Ag**

On May 2, 2025 Bear Creek announced that during the first quarter of 2025, the Mercedes mine produced 8,262 ounces of gold and 36,466 ounces of silver. The mill processed 102,886 tonnes of ore at 2.56 grams of gold per tonne ("gpt") compared to 93,170 tonnes of ore at 2.79 gpt during the fourth quarter of 2024, a decrease to the prior quarter. The mill continues to operate well, recovering 95% of the gold. Attributable Gold Equivalent ounces from Mercedes during the three months ended March 31, 2025 was 161 (2024: 258).

The operation continues to underperform, as it transitions from bulk mining areas into narrow vein mining areas in Marianas and Rey de Oro deposits. Delays have been caused by contractor underperformance, resulting in a requirement to increase pillar removals in San Martin.

Bear Creek continues to advance a Strategic Review process and has stated they will cease PEA work related to Corani Oxides.

For more information, please refer to Bear Creek's news release dated May 2, 2025.

## Development assets

### **Blackwater, BC, Canada (0.21% NSR)**

**Au, Ag**

On May 2, 2025, Artemis Gold announced commercial production at Blackwater, stating that the 30 days prior to May 2 the crushing circuit operated at 107% of design capacity, the milling circuit averaged 93% of design capacity, and the open pit delivered over 90% of its planned tonnage. Artemis also provided guidance for 2025 of 160,000 to 200,000 ounces of gold.

For more information, please refer to Artemis's news releases dated May 2, 2025, and January 29, 2025.

### **El Pilar, Sonora, Mexico (1% GRR)**

**Cu**

During the quarter, Southern Copper Corp. changed El Pilar production on their corporate presentation from 2027 to 2028, maintaining the same estimated capital expenditure of US\$310 million and future annual production of 36,000 tonnes of copper cathodes. On a February 12, 2025 conference call, Southern Copper Corp. management stated they expect the build-up of the plant by the end of 2027 and production expected in 2028.

For more information, please refer to <https://southerncoppercorp.com/eng/sec-filings> dated Q4 2024 and Southern Copper's corporate presentation published March 1, 2025 and call transcript from February 12, 2025.

### **Kiaka, Burkina Faso (2.7% NSR)**

**Au**

Kiaka development continues to track on budget and schedule, with more than 90% of the project complete and first gold still planned for the third quarter of 2025. The plant has commenced commissioning and mining activities are ramping up. On February 21, 2025, West African Resources published 2025 production guidance for Kiaka at 100,000 to 150,000 oz of gold.

For more information, please refer to <https://www.westafricanresources.com> and the West African Resources' press releases dated February 21, 2025, and April 17, 2025.

### **Toega, Burkina Faso (2.7% NSR)**

#### **Au**

Activities at Toega are ramping up, with compensation payments and necessary approvals for the haul road being received and construction of the ore haul road commencing in the quarter. Mining equipment was ordered, with equipment expected in Q3 2025 in anticipation of pre-stripping activities in early Q4 2025.

Results from underground scoping study for Toega were released on March 17, 2025, disclosing a Mineral Resource Estimate of 4.9 Mt at 3.5 g/t totaling 560 koz of gold, showing potential for a 7-year mine life.

For more information, please refer to <https://www.westafricanresources.com> and the West African Resources' news releases dated March 17, 2025, and April 16, 2025.

### **Vittangi, Kiruna, Sweden (1% NSR)**

#### **Graphite**

Talga continued to advance customer offtake agreements and project financing structures towards a Final Investment Decision for the project. As part of that process, Talga continues to pursue special designations, having the refinery being granted Net-Zero Strategic Project status by the Swedish Agency for Economic and Regional Growth and the mine awarded EU Strategic Project status, both of which improve access to financing and expedited permitting.

For more information, please refer to Talga's news releases dated March 26, 2025 and April 16, 2025.

### **Cuiú Cuiú (1% NSR)**

#### **Au**

In the last quarter Cabral Gold continued to perform in-fill and exploration drilling, advance an updated PFS, and announced a C\$14.9M upsized financing. Cabral remains committed to pursuing the oxide project and is planning an investment decision in mid 2025.

For more information, please refer to Cabral's news releases dated January 7, 2025, February 13, 2025, May 6, 2025 and the corporate presentation dated April 2025.

## Investments

### Sun Peak Metals Corp.

The Company holds 3,750,000 common shares of Sun Peak Metals Corp. ("Sun Peak") and a 1% NSR royalty on the Sun Peak mining properties. Sun Peak is a publicly-traded company listed on the TSX Venture Exchange (see "6. Summary of annual data and quarterly results").

### Montage Gold Corp.

The Company sold all of its 1,991,740 shares of Montage Gold Corp. ("Montage") on March 1, 2024. The shares were sold for gross proceeds of \$1.0 million (C\$0.70 per share). The Company still holds a 1% royalty on Montage's Bobosso property. Montage is a publicly-traded company listed on the TSX Venture Exchange (see "6. Summary of annual data and quarterly results").

## 6. Summary of annual data and quarterly results

The following table is a summary of the Company's financial results and position for the last 3 completed years.

all amounts in U.S dollars	As at and for the year ended Dec. 31, 2024	As at and for the year ended Dec. 31, 2023	As at and for the year ended Dec. 31, 2022
Royalty Revenue	12,024,648	3,139,677	1,156,019
Operating Income (Loss)	1,377,637	(216,652)	(868,004)
Net loss	(2,447,150)	(3,124,148)	(2,245,013)
Total assets	230,248,545	157,738,602	79,210,658
Total non-current liabilities	(2,070,407) <sup>1</sup>	(27,489,861) <sup>1</sup>	(15,355,812)

The presentation currency of the Company is the US dollar in every year presented and financial statements have been prepared in accordance with IFRS.

1. In January 2020, the IASB published narrow scope amendments to IAS 1 Presentation of financial statements. The narrow scope amendment clarifies that liabilities are classified as either current or noncurrent, depending on the rights that exist at the end of the reporting period. Classification is unaffected by the expectations of the entity or events after the reporting date. The amendments were effective for annual periods beginning on or after January 1, 2024 and applied retrospectively. The Company adopted the narrow scope amendments on January 1, 2024. These amendments resulted in the Company recognizing the Beedie Convertible Loan as a current liability and a portion of the Sandstorm Convertible Note as a current liability as at December 31, 2023. This is explained in the notes to the financial statements of the Company for the year ended December 31, 2024.

The following table is a summary of the Company's financial results and position for the 8 most recently completed quarters.

	Three months ended							
all amounts in U.S dollars <sup>1</sup>	Mar. 31, 2025	Dec. 31, 2024	Sep.30, 2024	Jun. 30, 2024	Mar. 31, 2024	Dec. 31, 2023	Sep. 30, 2023	Jun. 30, 2023
Revenue	3,453,523	3,248,816	3,178,156	2,900,661	2,697,015	1,918,755	356,476	386,373
Attributable gold equivalent ounces <sup>2</sup>	1,211	1,232	1,288	1,237	1,308	959	185	196
Average realized gold price per ounce	2,853	2,636	2,468	2,346	2,063	2,001	1,928	1,975
Average cash cost per attributable ounce <sup>2</sup>	495	449	403	398	332	291	-	-
Average cash cost margin <sup>2</sup>	83%	83%	84%	83%	84%	85%	-	-
Net income (loss)	1,784,211	(7,260,771)	3,863,746	1,123,370	(173,494)	2,073,435	(1,175,004)	(940,519)
Other comprehensive income (loss)	52,257	(119,613)	(55,113)	(342,278)	710,534	249,708	(90,755)	(369,233)
Basic income (loss) per share	0.00	(0.02)	0.01	0.00	0.00	0.01	(0.01)	(0.01)
Diluted income (loss) per share	0.00	(0.02)	0.01	0.00	0.00	0.00	(0.01)	(0.01)
Weighted average shares (basic)	462,071,715	461,558,939	447,136,981	326,255,140	284,482,572	234,802,164	168,773,761	168,773,761
Weighted average shares (diluted)	470,022,017	461,558,939	453,884,107	340,705,550	284,482,572	234,802,164	168,773,761	168,773,761
Total assets	231,692,758	230,248,545	240,233,714	225,151,605	152,096,795	157,738,602	76,105,304	76,390,294
Long-term liabilities <sup>3</sup>	2,122,686	2,070,407	5,356,450	12,363,853	20,428,285	27,489,861	16,039,352	15,731,494
Operating cash inflows (outflows) before working capital changes <sup>2</sup>	1,525,382	1,257,494	2,150,563	1,888,545	1,753,143	857,674	(9)	(25,220)
Cash flows per share before working capital changes <sup>2</sup>	0.00	0.00	0.00	0.01	0.01	(0.00)	(0.00)	(0.00)
Net income (loss) before finance expense, taxation and depletion <sup>2</sup>	3,414,188	(7,847,101)	6,682,525	2,912,346	1,652,447	3,937,889	(647,443)	(366,545)
Adjusted net income (loss) before finance expense, interest, taxation and depletion <sup>2</sup>	1,486,836	1,418,145	1,638,648	1,607,013	618,352	(893,397)	(647,443)	(366,545)

1. Sum of all the quarters may not add up to the annual total due to rounding.
2. See "11. Non-IFRS measures".
3. In January 2020, the IASB published narrow scope amendments to IAS 1 Presentation of financial statements. The narrow scope amendment clarifies that liabilities are classified as either current or noncurrent, depending on the rights that exist at the end of the reporting period. Classification is unaffected by the expectations of the entity or events after the reporting date. The amendments were effective for annual periods beginning on or after January 1, 2024 and applied retrospectively. The Company adopted the narrow scope amendments on January 1, 2024. These amendments resulted in the Company recognizing the Beedie Convertible Loan as a current liability and a portion of the Sandstorm Convertible Note as a current liability as at December 31, 2023. This is explained in the notes to the financial statements of the Company for the year ended December 31, 2024.

During Q4 2023, the Company completed the acquisition of the GPA from Equinox and two royalty assets from Sandstorm. This resulted in a significant increase in the total assets balance. As these acquisitions were funded through a combination of debt and equity, there was also an associated increase in the weighted average shares outstanding and the long-term liabilities of the Company. The Company started recording revenue from receipt of gold ounces under the GPA with Equinox during the fourth quarter 2023 resulting in increased revenues; revenues have increased each quarter since Q4 2023 largely as a result of increases in the gold price each quarter. This increase in revenues in combination with a positive changes in the fair value of the Greenstone gold interest (the GPA), led to net income each quarter since Q4 2023 with the exception of Q1 2024 and Q4 2024 (see **13. Significant estimates and judgements**). As a result of an increasing gold price, the fair value of the GPA has increased each quarter since acquisition; a \$2.4 million gain was recorded in Q1 2024, a \$4.0 million gain was recorded in Q2 2024, a \$6.6 million gain in Q3 2024, a \$1.1 million gain in Q4 2024 and a \$4.2 million gain in Q1 2025. These gains directly impact the net income (loss) and net income (loss) before finance expense, taxation and depletion.

The net loss in Q1 2024 was driven by higher interest charges in this quarter due to a higher balance outstanding on the RCF at this point (\$12.5 million repaid between March 31, 2024 and March 31, 2025), and a higher share-based compensation expense as a result of short-term incentive payments being issued in share-based compensation during the first quarter of 2024 as the Company looked to preserve cash. The net loss and the net loss before finance expense, interest, taxation and depletion in Q4 2024 was driven by an impairment charge of \$8.4 million in relation to the Mercedes royalty asset (see **“5. Summary of royalty and other interests owned by Versamet”**)

Total assets and long-term liabilities decreased in Q1 2024, as compared to the prior quarter, as a result of the Company paying down \$7.5 million in cash from its \$30 million revolving credit facility (see **“8. Liquidity and capital resources”**) with a \$15 million accordion feature arranged by the Bank of Montreal (“BMO”), as lead arranger, and National Bank of Canada (“RCF”). Long-term liabilities dropped in Q1 2024 also due to an IFRS amendment to IAS 1 Presentation of financial statements. The narrow scope amendment clarifies that liabilities are classified as either current or noncurrent, depending on the rights that exist at the end of the reporting period. The amendments are effective for annual periods beginning on or after January 1, 2024 and applied retrospectively. The Company has adopted the narrow scope amendments on January 1, 2024. These amendments resulted in the Company recognizing the Beedie Convertible Loan (as defined herein) as a current liability during each quarter in 2024 and Q1 2025, thereby reducing the long-term liabilities balance. The Company fully repaid the Beedie Convertible Loan on April 30, 2025.

As a result of the Transaction with B2Gold which closed in two tranches: June 5, 2024 and August 13, 2024, in which the Company acquired a portfolio of royalty assets in return for Common Shares, the total asset balance and the weighted average Common Shares balance increased in Q2 2024 and again in Q3 2024. Long term liabilities reduced and weighted average shares outstanding increased during Q2 2024 and again in Q3 2024 as: (i) in conjunction with the first tranche of the Transaction closing in June 2024, Sandstorm converted the remaining balance on their convertible note into Common Shares, and (ii) in conjunction with the second tranche of the Transaction closing in August 2024, B2Gold subscribed for \$7.5 million in Common Shares (see **“2. Overview and description of the business”**), the proceeds of which, along with \$1.2 million of the Company’s cash balance, was used to pay down \$8.7 million of the RCF. The long-term liabilities balance dropped further during Q4 2024 and Q1 2025 as a result of paying down an additional \$1.8 million and \$1.0 million, respectively, from the RCF during the quarter.

Fair value gains and losses on the Company’s investment in Sun Peak are recorded in other comprehensive income (loss) and are based on the common share price of Sun Peak at the statement of financial position closing date.

## 7. Results of operations

### Quarter ended March 31, 2025 compared to March 31, 2024

During the quarter ended March 31, 2025, the Company earned revenue of \$3.5 million, recorded cost of sales of \$3.0 million and recorded depletion of \$0.2 million as compared to \$2.7 million of revenue, \$2.2 million in cost of sales and \$0.3 million of depletion in the prior period.

The Company earned net income of \$1.8 million in the quarter ended March 31, 2025 as compared to incurring a net loss of \$0.2 million in the same period in the prior year.

The table below details the changes in the expenditures for the quarter ended March 31, 2025 as compared to the quarter ended March 31, 2024.

Expense/Other income	Increase/Decrease from prior year	Explanation for the change
Business development	Increase of \$2,718	The expenses were largely consistent period-on-period.
Change in fair value of Greenstone gold interest	Increase of \$1,825,880	This increase relates to the comparative fair value movement in the GPA with Equinox during Q1 2025 as compared to Q1 2024. There was an increase during both periods but relatively more of an increase during Q1 2025. The change in value is largely driven by the consensus gold price and the discount rate applied to the valuation of the GPA. See “ <b>13. Significant estimates and judgments</b> ”.
General and administrative	Increase of \$8,376	The expenses were largely consistent period-on-period.
Professional fees	Increase of \$16,946	The expenses were largely consistent period-on-period.
Salaries and benefits	Increase of \$786,614	The increase is driven by a payment as a result of management changes during Q1 2025.
Share-based compensation	Decrease of \$1,209,644	The decrease relates to a reversal of share-based compensation expense previously incurred during the period for unvested options, RSUs and PRSUs which were forfeited by the former CEO upon his departure during Q1 2025.
Foreign exchange loss	Increase of \$118,178	In the current period a small foreign exchange loss of \$8,901 was recorded as compared to a foreign exchange gain in the prior period. The foreign exchange is primarily recorded as a result of revaluing the Canadian denominated Beedie Convertible Loan (see “ <b>8. Liquidity and capital resources</b> ”) into US dollars, the Company’s functional currency. The strengthening of the US dollar as compared to the Canadian dollar in Q1 2024 lead to a foreign exchange gain, while a reasonably consistent foreign exchange rate between December 31, 2024 and March 31, 2025, resulted in minimal foreign exchange impact.
Finance and interest expense	Decrease of \$484,408	The finance and interest expense in the current period includes accretion on the Beedie Convertible Loan and the RCF (as defined herein). In addition, the interest incurred on both of these debt facilities is included in finance expense. The lower finance expense as compared to the prior year is as a result of paying down a significant amount of the RCF balance period-upon-period. At March 31, 2024 the Company had \$12.5 million outstanding under the RCF, whereas at March 31, 2025 there was \$nil outstanding.
Change in fair value of convertible debt derivative liability	Decrease of \$273,279	The gain in the current period was lower than the gain the prior period. The Beedie Derivative Liability is fair valued each period using a number of market and other inputs. See “ <b>13. Significant estimates and judgments</b> ”.
Interest income	Decrease of \$68,885	Lower cash balances held in the current period as compared to the prior period. In the current period, cash balances are used to pay down the BMO RCF to reduce interest expense.

In addition, the Company recognized a current tax expense of \$0.1 million during the quarter ended March 31, 2025 (2024 — \$0.1 million); the current tax expense relates to withholding taxes payable on royalty revenue earned from the Mercedes Mine. Deferred tax expense of \$0.7 million was recognized in the current period; this compares to a \$0.4 million deferred tax expense in the prior period. The deferred tax expense is primarily driven by an increase in the value of the Greenstone gold interest during the period, resulting in a future income tax expense.

### **Cash flows**

During the quarter ended March 31, 2025, the Company's cash balance decreased by \$0.6 million. This decrease is primarily as a result of: inflows of \$3.5 million in revenue, cash payments to Equinox included within cost of sales of \$0.6 million and incurring \$1.3 million in cash operating expenses. The Company saw an outflow of \$0.9 million relating to working capital. The Company repaid \$1.0 million on the RCF and paid \$0.2 million in cash interest charges on debt outstanding (see **"8. Liquidity and capital resources"**). Further, the Company paid \$0.1 million in cash taxes.

During the quarter ended March 31, 2024, the Company's cash balance decreased by \$5.7 million. This decrease is primarily as a result of: inflows of \$2.7 million in revenue, cash payments to Equinox included within cost of sales of \$0.4 million and incurring \$0.5 million in cash operating expenses. The Company had a cash inflow of \$1.0 million on the sale of its shares in Montage Gold Corp. The Company repaid \$7.5 million on its revolving credit facility with Bank of Montreal and paid \$0.6 million in cash interest charges on debt outstanding (see **"9. Liquidity and capital resources"**).

## **8. Liquidity and capital resources**

As at March 31, 2025 the Company had a cash balance of \$0.9 million. As of the date of this MD&A the Company has two revenue-generating royalties and monthly cash flows from the GPA, which, together with the working capital of the Company provide sufficient cash for Versamet to cover all operating expenses and working capital requirements for at least 12 months from March 31, 2025.

### **Debt**

#### **Revolving Credit Facility**

The Company entered into the \$30 million RCF on October 31, 2023. Transaction costs of \$0.7 million were netted against the initial drawdown for accounting purposes and the carrying balance is accreted to face value over the expected life of the RCF. Interest expense including accretion of discount of \$109,551 was recognized in the three months ended March 31, 2025 (2024 - \$451,845) in relation to the RCF.

On April 30, 2025, Versamet entered into the Amended RCF, whereby the facility was increased from \$30 million with a \$15 million accordion to \$60 million with a \$15 million accordion. With the amendment, the maturity of the Amended RCF was updated to April 30, 2028. Between April 30, 2025 and May 1, 2025 the Company drew down a total of \$55 million under the Amended RCF in order to repay the full amount of the Beedie Convertible Loan (see

below) and also to complete the acquisition of the Kolpa stream under the terms of the Agreement (see “**2. Overview and description of the Business**”).

The amounts drawn on the Amended RCF are subject to interest at the Secured Overnight Financing Rate plus 2.25% to 3.50% per annum (subject to a base rate option), and the undrawn portion of the RCF is subject to a commitment fee of 0.5063%-0.7875% per annum, both of which are dependent on the Company's leverage ratio. The principal amount outstanding under the RCF at March 31, 2025 was \$nil and the principal outstanding at the date of this MD&A is \$55 million.

The RCF is secured by a first priority security interest in all of the Company's (and any affiliated entities as defined by the Securities Act (British Columbia)) present and after acquired property.

### **Beedie Convertible Loan**

The Company entered into a \$16.0 million convertible loan with Beedie Capital on October 31, 2023 (the “Beedie Convertible Loan”). The Beedie Convertible Loan has a term of 5 years and matures on October 31, 2028. Interest on the Beedie Convertible Loan consists of an 8% base interest rate and a 1.5% paid-in-kind (“PIK”) rate, with the PIK rate reducing to 1.0% upon the public listing of the Company. The Company has the option to pay 25-50% of the base interest rate in Common Shares, subject to certain conditions. Amounts outstanding under the Beedie Convertible Loan can be converted into Common Shares, at the option of Beedie Capital, at a price of C\$0.84 per Common Share. The Company may prepay the Beedie Convertible Loan, subject to certain fees. Additionally, the Company has the right to force the conversion of up to 50% of the convertible loan should the 30-day volume-weighted average price of Versamet (once public) equal or exceed C\$1.47 per Common Share.

During the three months ended March 31, 2025, PIK interest of \$58,933 (2024 - \$59,114) was added to the principal of the Beedie Convertible Loan; as at March 31, 2025, the principal amount outstanding under the Beedie Convertible Loan was \$15.7 million. Accretion of \$150,209 (2024 - \$131,255) was recorded and added to the carrying value of the Beedie Convertible Loan during the three months ended March 31, 2025. The Beedie Convertible Loan is secured by a second priority security interest in all of the Company's (and any affiliated entities as defined by the Securities Act (British Columbia)) present and after acquired property. It has been determined that the Beedie Convertible Loan has two components: (i) a debt host contract (the “Beedie Convertible Loan Liability”), recorded at fair value upon initial recognition and subsequently at amortized cost; and (ii) multiple embedded derivatives, treated as a single compound embedded derivative, recorded at FVTPL (the “Beedie Derivative Liability”).

On April 23, 2025, The Company exercised its right under the Beedie Convertible Loan to fully repay the principal outstanding. In accordance with the terms of the Beedie Convertible Loan, the Company was required to pay a Make Whole Fee as a result of prepaying prior to the maturity date. On April 30, 2025, the Company paid a total of CAD\$26.1 million to fully extinguish the convertible note. Commensurate with the repayment of the Beedie Convertible Loan, all of the security held by Beedie over the present and after acquired property was released.

### **Sandstorm Convertible Note**

In conjunction with the purchase of assets from Sandstorm on June 28, 2022, the Company issued the Sandstorm Convertible Note with a face value of \$31.4 million. The Sandstorm Convertible Note was interest-free and had a maturity date of June 28, 2032.

The Sandstorm Convertible Note could be prepaid at any time by Versamet in cash or could be prepaid in a variable number of Common Shares as outlined in the Company's Financial Statements. Further, Sandstorm could convert the Sandstorm Convertible Note into Common Shares as outlined in the Company's Financial Statements.

The fair value of the Sandstorm Convertible Note at initial recognition was considered to be \$14.6 million; all of which was recorded as a financial liability. On three occasions during quarter ended December 31, 2023, Versamet exercised its right under the Sandstorm Convertible Note to satisfy the principal amount outstanding under the Sandstorm Convertible Note, in whole or in part, at any time, provided no event of default has occurred, by delivering fully paid and non-assessable Common Shares to Sandstorm. During 2023, Versamet satisfied a total of \$17.2 million of the principal amount outstanding under the Sandstorm Convertible Note by issuing 33.8 million Common Shares to Sandstorm at a price of C\$0.70 per common share. On June 5, 2024, Versamet exercised its right under the Sandstorm Convertible Note to satisfy the principal amount outstanding under the Sandstorm Convertible Note, in whole or in part, at any time, provided no event of default has occurred, by delivering fully paid and non-assessable Common Shares to Sandstorm. Versamet satisfied the remaining principal balance of \$14.2 million by issuing 24.2 million Common Shares to Sandstorm at a price of C\$0.80 per Common Share. The remaining principal amount (face value) outstanding under the Sandstorm Convertible Note as at March 31, 2025 is \$nil.

## Commitments and contractual obligations

The following table shows Company's contractual obligations as they fall due as at March 31, 2025 and December 31, 2024:

	Within 1 year \$	1-5 years \$	Over 5 years \$	Total Mar. 31, 2025 \$	Total Dec. 31, 2024 \$
Accounts payable and accrued liabilities	275,820	-	-	275,820	1,232,088
Beedie Convertible Loan <sup>1</sup>	1,265,929	3,588,814	16,645,642	21,500,385	21,784,186
RCF <sup>1</sup>	-	-	-	-	1,152,948
<b>Total</b>	<b>1,541,749</b>	<b>3,588,814</b>	<b>16,645,642</b>	<b>21,776,205</b>	<b>24,169,222</b>

1. The Beedie Convertible Loan and the RCF estimated interest amounts are included in the table above. In accordance with the Beedie Convertible Loan, a proportion of the interest expense included in the table above can be paid in Common Shares. The Company presents the Beedie Convertible Loan as a current liability due to the ability of Beedie Capital to convert all of the outstanding principal into Common Shares any at any time, however, the table above shows contractual cash flow obligations. The Beedie Convertible Loan was fully repaid on April 30, 2025 (see above).

The Company has no other liabilities other than those presented in the table above or discussed elsewhere in this MD&A, and has no commitments for capital expenditures or contractual obligations. The Company intends to grow through the acquisition of additional royalties, streams and other interests, however, capital markets may not be receptive to offerings of new equity from treasury or debt, whether by way of private placements or public offerings. The Company's growth and success may be dependent on external sources of financing which may not be available on acceptable terms.

## 9. Transactions with related parties

Related parties are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, either directly or indirectly. Related parties of the Company include the members of the Board of Directors, officers of the Company, close family members of these individuals, and any companies controlled by these individuals.

### **Sandstorm**

Effective June 28, 2022, Sandstorm is considered to be a related party of the Company as a result of Versamet being an associate of this entity (as a result Sandstorm's share ownership in the Company) and the ability of Sandstorm to nominate a representative to the board of directors of the Company.

The Company had the Sandstorm Convertible Note outstanding with Sandstorm which was fully converted during the year ended December 31, 2024 leaving a remaining balance of nil.

### **Equinox**

Effective June 28, 2022, Equinox was considered to be a related party of the Company as a result of its share ownership in Versamet. Effective June 5, 2024, Equinox's share ownership percentage was reduced, and it was determined that it no longer had significant influence over the Company and accordingly effective June 5, 2024 is no longer considered to be a related party of Versamet.

The Company entered into the Greenstone gold interest with Equinox during the year ended December 31, 2023.

### **B2Gold**

Effective June 5, 2024, B2Gold is considered to be related party of the Company as a result of Versamet being an associate of this entity (as a result of their share ownership in the Company) and the ability of B2Gold to nominate a representative to the board of directors of the Company.

Key management personnel include persons having the authority and responsibility for planning, directing, and controlling the activities of the Company as a whole. Versamet considers its Board of Directors, as well as the Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO") to be key management personnel.

During the three months ended March 31, 2025 and 2024, the Company's compensation cost for key management personnel was as follows:

	Three months ended Mar. 31, 2025 \$	Three months ended Mar. 31, 2024 \$
Salaries and benefits	914,456	112,691
Share-based compensation	258,952	565,725
<b>Total</b>	<b>1,173,408</b>	<b>678,416</b>

## 10. Disclosure of data for outstanding Common Shares, stock options, RSUs and PRSUs

As at the date of this MD&A, the Company had 466,836,693 Common Shares outstanding, 16,670,154 stock options outstanding with a weighted average exercise price of C\$0.73, 5,087,573 outstanding restricted share units and 2,000,000 performance-based restricted share units. Of the total Common Shares issued, 1,979,571 which are issued to Sandstorm are held in escrow subject to certain milestones being met with respect to the El Pilar royalty asset; in the event such milestones are not met these Common Shares are returned to Versamet.

## 11. Non-IFRS measures

This MD&A refers to certain non-IFRS measures, including (i) Attributable Gold Equivalent ounces, (ii) average cash cost per Attributable Gold Equivalent ounce (iii) average cash cost margin (iv) cash flows from operating activities before working capital changes (v) cash flows from operating activities before working capital changes per share (vi) Net loss before finance expense, interest, taxation and depletion and (vii) Adjusted net loss before finance expense, interest, taxation and depletion (the "Non-IFRS Measures"). The Non-IFRS measures are not standard measures under IFRS and the Company's method of calculating the Non-IFRS Measures may differ from the methods used by other issuers. Therefore, the Company's Non-IFRS measures may not be comparable to similar measures presented by other issuers. See below for a description of each non-IFRS measure and a reconciliation to the nearest IFRS measure for the period.

**Attributable Gold Equivalent ounces** is calculated by dividing the Company's Revenue by the Company's average realized gold price per ounce for the respective period. The Company presents Attributable Gold Equivalent ounce as it believes that this is useful information to allow investors to evaluate the Company's performance in comparison to other streaming and royalty companies in the precious metals mining industry that present results on a similar basis.

(all amounts in US dollars with the exception of Total Attributable Gold Equivalent Ounces)	Three months ended Mar. 31, 2025	Three months ended Mar. 31, 2024
Revenue	3,453,523	2,697,015
<b>Divided by:</b>		
Average realized gold price per ounce	2,853	2,068
<b>Total Attributable Gold Equivalent Ounces</b>	<b>1,211</b>	<b>1,308</b>

(all amounts in US dollars  
with the exception of Total  
Attributable Gold Equivalent  
Ounces)

Three months ended

	Mar 31, 2025	Dec 31, 2024	Sep. 30, 2024	Jun. 30, 2024	Mar. 31, 2024	Dec. 31, 2023	Sep. 30, 2023	Jun. 30, 2023
Revenue	3,453,523	3,248,816	3,178,156	2,900,661	2,697,015	1,918,755	356,476	386,373
<b>Divided by:</b>								
Average realized gold price per ounce	2,853	2,636	2,468	2,346	2,063	2,001	1,928	1,975
<b>Total Attributable Gold Equivalent Ounces</b>	<b>1,211</b>	<b>1,232</b>	<b>1,288</b>	<b>1,237</b>	<b>1,308</b>	<b>959</b>	<b>185</b>	<b>196</b>

**Average cash cost per Attributable Gold Equivalent ounce** is calculated by dividing the Company's cost of sales, excluding depletion and other non-cash cost of sales by the number of Attributable Gold Equivalent ounces (described above). The Company presents average cash cost per Attributable Gold Equivalent ounce as it believes that this is useful information to allow investors to evaluate the Company's performance and ability to generate cash flow in comparison to other streaming and royalty companies in the precious metals mining industry who present results on a similar basis.

**Average cash cost margin** is calculated by dividing the difference between the Average realized gold price per ounce from the Company's gold streams and the Average cash cost per Attributable Gold Equivalent ounce by the Average realized gold price per ounce from the Company's gold streams. The Company presents average cash cost margin as it believes that this is useful information to allow investors to evaluate the Company's performance and ability to generate cash flow in comparison to other streaming and royalty companies in the precious metals mining industry who present results on a similar basis.

(all amounts in US dollars with the exception of Total Attributable Gold Equivalent Ounces)

Three months ended  
Mar. 31, 2025

Three months ended  
Mar. 31, 2024

Cost of sales (excluding depletion)	2,994,723	2,170,543
Less: non-cash cost of sales related to GPA	(2,395,778)	(1,736,434)
Cash cost of sales	598,945	434,109
<b>Divided by:</b>		
Total Attributable Gold Equivalent Ounces	1,211	1,308
<b>Average cash cost per Attributable Gold Equivalent ounce</b>	<b>495</b>	<b>332</b>
<b>Average cash cost margin</b>	<b>83%</b>	<b>84%</b>

(all amounts in US dollars  
with the exception of Total  
Attributable Gold Equivalent  
Ounces)

Three months ended

	Mar 31, 2025	Dec 31, 2024	Sep. 30, 2024	Jun. 30, 2024	Mar. 31, 2024	Dec. 31, 2023	Sep. 30, 2023	Jun. 30, 2023
Cost of sales (excluding depletion)	2,994,723	2,765,245	2,593,325	2,460,325	2,170,543	1,396,675	-	-
Less: non-cash cost of sales related to GPA	(2,395,778)	(2,212,196)	(2,074,660)	(1,968,260)	(1,736,434)	(1,117,340)	-	-
Cash cost of sales	598,945	553,049	518,665	492,065	434,109	279,335	-	-
<b>Divided by:</b>								
Total Attributable Gold Equivalent Ounces	1,211	1,232	1,288	1,237	1,308	959	185	196
<b>Average cash cost per Attributable Gold Equivalent ounce</b>	<b>495</b>	<b>449</b>	<b>403</b>	<b>398</b>	<b>332</b>	<b>291</b>	-	-
<b>Average cash cost margin</b>	<b>83%</b>	<b>83%</b>	<b>84%</b>	<b>83%</b>	<b>84%</b>	<b>85%</b>	-	-

**Cash flow from operating activities before working capital changes** is calculated by adding back the decrease or subtracting the increase in changes in non-cash working capital (being trade and other receivables and prepaid assets, accounts payable and accrued liabilities and tax expense) to or from cash provided by (used in) operating activities. The Company presents cash flows from operating activities before changes in non-cash working capital as it believes this presents a useful measure of the Company's ability to generate cash to cover operating expenses from its cash-flowing royalties.

**Cash flows from operating activities before working capital changes per share** is calculated by dividing the cash flow from operating activities before working capital changes by the weighted average number of Common Shares of the Company outstanding during the period. The Company presents cash flows from operating activities before changes in non-cash working capital on a per share basis as it believes this presents a useful measure for the shareholders of the Company to evaluate the performance of the Company.

	Three months ended Mar. 31, 2025 \$	Three months ended Mar. 31, 2024 \$
Cash flows provided by (used in) operating activities	651,618	1,566,180
Working capital changes	(873,764)	(186,963)
<b>Cash flows from operations before working capital changes</b>	<b>1,525,382</b>	<b>1,753,143</b>
Weighted average ordinary shares outstanding	462,071,715	284,482,572
<b>Cash flows from operations before working capital changes per share</b>	<b>0.00</b>	<b>0.01</b>

Three months ended								
	Mar 31, 2025	Dec 31, 2024	Sep. 30, 2024	Jun. 30, 2024	Mar. 31, 2024	Dec. 31, 2023	Sep. 30, 2023	Jun. 30, 2023
	\$	\$	\$	\$	\$	\$	\$	\$
Cash flows provided by (used in) operating activities	651,618	2,104,315	1,878,360	1,848,609	1,566,180	678,572	(135,502)	(765)
Working capital changes	(873,764)	846,821	(272,203)	(39,936)	(186,963)	(250,804)	(80,491)	41,159
<b>Cash flows from operations before working capital changes</b>	<b>1,525,382</b>	<b>1,257,494</b>	<b>2,150,563</b>	<b>1,888,545</b>	<b>1,753,143</b>	<b>929,376</b>	<b>(55,011)</b>	<b>(41,924)</b>
Weighted average ordinary shares outstanding	462,071,715	461,558,939	447,126,981	326,255,140	284,483,572	234,802,164	168,773,761	168,773,761
<b>Cash flows from operations before working capital changes per share</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.01</b>	<b>0.01</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

**Net income (loss) before finance expense, interest, taxation and depletion** refers to earnings (or loss) determined in accordance with IFRS, before finance expense, interest expense, interest income, income tax expense (recovery) and depreciation (including depletion) and amortization. This measure is used by management and investors to determine the ability of an issuer to generate cash from operations. Management believes this measure is a useful supplemental measure from which to determine the Company's ability to generate cash available for working capital requirements, investment expenditures and income taxes.

**Adjusted net income (loss) before finance expense, interest, taxation and depletion** adjusts the Net income (loss) before finance expense, interest, taxation and depletion to exclude any non-cash cost of sales, one-off impairment charges and gains/loss on assets and liabilities which are market-to-market each reporting period. Management believes this measure is a useful supplemental measure from which to determine the Company's ability to generate cash available for working capital requirements, investment expenditures and income taxes.

	Three months ended Mar. 31, 2025 \$	Three months ended Mar. 31, 2024 \$
Net income (loss)	1,784,211	(173,494)
Finance expense	627,944	1,112,352
Income taxes	775,320	535,195
Interest income	(11,443)	(80,328)
Depletion	238,156	258,722
<b>Net income before finance expense, interest, taxation and depletion</b>	<b>3,414,188</b>	<b>1,652,447</b>
Non-cash cost of sales – Greenstone gold interest	2,395,778	1,736,434
Change in fair value of Greenstone gold interest	(4,211,215)	(2,385,335)
Change in fair value of derivative liability	(111,915)	(385,194)
<b>Adjusted net income before finance expense, interest, taxation and depletion</b>	<b>1,486,836</b>	<b>618,352</b>

Three months ended								
	Mar. 31, 2025	Dec. 31, 2024	Sep. 30, 2024	Jun. 30, 2024	Mar. 31, 2024	Dec. 31, 2023	Sep. 30, 2023	Jun. 30, 2023
	\$	\$	\$	\$	\$	\$	\$	\$
Net income (loss)	1,784,211	(7,260,771)	3,863,746	1,123,370	(173,494)	2,073,435	(1,175,004)	(940,519)
Finance expense	627,944	669,165	802,281	995,341	1,112,352	1,114,101	307,858	298,729
Income taxes	775,320	(1,407,977)	1,825,567	620,932	535,195	526,937	89,119	96,594
Interest income	(11,443)	(17,906)	(35,231)	(14,754)	(80,328)	(40,773)	(55,002)	(16,704)
Depletion	238,156	170,388	226,162	187,457	258,722	264,189	185,586	195,355
<b>Net income (loss) before finance expense, interest, taxation and depletion</b>	<b>3,414,188</b>	<b>(7,847,101)</b>	<b>6,682,525</b>	<b>2,912,346</b>	<b>1,652,447</b>	<b>3,937,889</b>	<b>(647,443)</b>	<b>(366,545)</b>
Non-cash cost of sales – Greenstone gold interest	2,395,778	2,212,196	2,074,660	1,968,260	1,736,434	1,117,340	-	-
Change in fair value of Greenstone gold interest	(4,211,215)	(1,099,292)	(6,624,041)	(3,951,048)	(2,385,335)	(4,834,977)	-	-
Change in fair value of derivative liability	(111,915)	(197,658)	(494,496)	677,455	(385,194)	3,691	-	-
Adjustment for Impairment of accounts receivable	-	-	-	-	-	-	-	-
Adjustment for Impairment of royalty interest	-	8,350,000	-	-	-	-	-	-
<b>Adjusted net income (loss) before finance expense, interest, taxation and depletion</b>	<b>1,486,836</b>	<b>1,418,145</b>	<b>1,638,648</b>	<b>1,607,013</b>	<b>618,352</b>	<b>223,943</b>	<b>(647,443)</b>	<b>(366,545)</b>

## 12. Off-balance sheet arrangements

The Company did not have any off-balance sheet arrangements as at March 31, 2025 or December 31, 2024.

## 13. Significant estimates and judgments

The preparation of the Financial Statements in conformity with IFRS required management to make estimates and assumptions that affect amounts reported in the Financial Statements and accompanying notes. Management believes the estimates and assumptions used in the Financial Statements are reasonable; however, actual results could differ from those estimates and could impact future results of operations and cash flows.

Significant judgments made by management in applying the Company's accounting policies and the key sources of estimation uncertainty are the same as those that applied to the annual financial statements as at and for the year ended December 31, 2024.

## 14. Financial instruments and capital management

As at March 31, 2025, the Company's financial instruments consist of cash and cash equivalents, trade and other receivables, investments, the Greenstone gold interest, accounts payable, the Beedie Convertible Loan Liability, the Beedie Derivative Liability and the RCF. The Company classifies cash and cash equivalents and trade and other receivables as financial assets held at amortized cost; the Company holds its investments at FVTOCI. The Company classifies accounts payable, the RCF and the Beedie Convertible Loan Liability as other financial liabilities and they are held at amortized cost. The Greenstone gold interest and the Beedie Derivative Liability are both carried at FVTPL.

The fair value hierarchy establishes three levels to classify the inputs of valuation techniques used to measure fair value. The three levels of the fair value hierarchy are below:

**Level 1** — fair values based on unadjusted quoted prices in active markets for identical assets or liabilities;

**Level 2** — fair values based on inputs that are observable for the asset or liability, either directly or indirectly; and

**Level 3** — fair values based on inputs for the asset or liability that are not based on observable market data.

The Company presents its investments at fair value and has classified these as Level 1 in the fair value hierarchy. The Greenstone gold interest, the Beedie Convertible Loan Liability, the RCF and the Beedie Derivative Liability are considered to be Level 3. The fair value of all of the Company's other financial instruments approximate their carrying values as at March 31, 2025 and December 31, 2024 due to their short-term nature.

The Company's policy for determining when a transfer occurs between levels in the fair value hierarchy is to assess the impact at the date of the event or the change in circumstances that could result in a transfer. There were no transfers between the levels during the three months ended March 31, 2025 or 2024.

The risk exposure arising from these financial instruments is summarized as follows:

### Credit risk

Credit risk is the risk of potential loss to the Company if the counterparty to a financial instrument fails to meet its contractual obligations. The Company's credit risk is limited to the carrying value of its cash and cash equivalents and trade and other receivables. The Company's trade and other receivables are subject to the credit risk of the counterparties who own and operate the mines underlying Versamet's royalty and other assets portfolio. In order to mitigate its exposure to credit risk, the Company monitors its financial assets and holds its cash with a highly rated Canadian financial institution.

Management continues to believe that due to operational challenges at the Pilar Mine that there remains a significant credit risk with respect to amounts owing to the Company under its Pilar royalty interest. The Company has not recognized any revenue or an associated receivable related to the Pilar royalty payable during the three months ended March 31, 2025 or 2024.

## Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company's approach to managing liquidity risk is to have in place a planning and budgeting process to ensure that it will have sufficient liquidity to meet liabilities when due in the normal course of operations. In assessing liquidity risk, the Company takes into account its cash and expected income from royalties and the Greenstone gold interest. In addition, Versamet also holds common shares in Sun Peak with a fair market value of \$0.8 million at March 31, 2025 (the daily exchange traded volume of these common shares may be insufficient for the Company to liquidate its position in a short period of time without affecting the market value of the common shares).

## Market risk

Market risk is the risk that changes in market prices, such as commodity price risk, foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings or financial instruments.

Commodity price risk is the risk that the fair value or future cash flows of the Company's financial instruments will fluctuate because of changes in market prices. Commodity prices can be subject to volatile price movements, which can be material and can occur over short periods of time and are affected by numerous factors, all of which are beyond the Company's control.

Financial instruments that impact net income (loss) and comprehensive income of the Company due to currency fluctuations include cash and cash equivalents, investments, the Beedie Convertible Loan, and trade and other payables denominated in Canadian dollars. Based on the Company's Canadian dollar monetary assets and monetary liabilities as at March 31, 2025, a 10% increase or decrease in the Canadian dollar relative to the United States dollar would have an approximate impact of \$1.4 million on net income (loss) and total comprehensive income as at March 31, 2025.

The Company is exposed to other price risk as a result of its investment in Sun Peak. The Company does not actively trade this investment. The equity prices of long-term investments are impacted by a variety of factors including commodity prices and volatility in global markets. Based on the Company's investment in Sun Peak held at March 31, 2025, a 10% increase or decrease in the value of this investments would increase or decrease other comprehensive income by approximately \$78,000 and would have no impact on profit or loss for the three months ended March 31, 2025.

The Company is exposed to commodity price movements as a result of the GPA. The Company holds the GPA at FVTPL. The fair value is calculated using a series of inputs into a discounted cash flow including the gold price. A 10% increase or decrease in the gold price used in the valuation as at March 31, 2025 would increase or decrease net income (loss) and total comprehensive income by \$6.4 million.

## Capital management

The Company manages its capital structure and adjusts it, based on the funds available to the Company, in order to support its' activities, continue as a going concern and maximize its return to stakeholders. The Company considers capital to be all accounts in equity and all borrowings of the Company (the Beedie Convertible Loan and the RCF). The Company is subject to certain covenants under the RCF and Beedie Convertible Loan; at March 31, 2025 the Company was in compliance with all covenants. The Board of Directors does not establish quantitative return on

capital criteria for management, but rather relies on the expertise of management to maintain an appropriate liquidity profile to allow management to execute on its strategic plan. Additional funds may be required to finance the Company's operations in the future.

## **15. Other risk factors**

The Company's business and future prospects are subject to significant risks. For details of these risks, please refer to the risk factors under the heading "*Risk Factors*" in the Company's final long form prospectus dated May 12, 2025 as filed under the Company's profile on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).

## **16. Limitations of controls and procedures**

Management, including the CEO and CFO, believe that any disclosure controls and procedures or internal controls over financial reporting, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, management cannot provide absolute assurance that all control issues and instances of fraud, if any, within the Company have been prevented or detected.

The design of any control system is also based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions. Management is responsible for establishing and maintaining adequate internal control over financial reporting. There have been no changes in our internal controls over financial reporting since the last reporting period that have materially affected, or are reasonably likely to materially affect, internal control over financial reporting.

## **17. Cautionary note regarding forward-looking statements**

This MD&A contains "forward-looking information" and "forward-looking statements" within the meaning of applicable Canadian securities legislation. The forward-looking statements herein are made as of the date of this MD&A only and the Company does not assume any obligation to update or revise them to reflect new information, estimates or opinions, future events or results or otherwise, except as required by applicable law.

Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "is expected", "budgets", "scheduled", "estimates", "forecasts", "predicts", "projects", "intends", "targets", "aims", "anticipates" or "believes" or variations (including negative variations) of such words and phrases or may be identified by statements to the effect that certain actions "may", "could", "should", "would", "might" or "will" be taken, occur or be achieved. Forward-looking information in this MD&A includes, but is not limited to, statements with respect to future events or future performance of Versamet, disclosure regarding any payments to be paid to Versamet by property owners or operators of mining projects pursuant to net smelter returns and other royalty or other interests and agreements of Versamet, management's expectations regarding Versamet's growth, results of operations, estimated future revenues, carrying value of assets, future dividends, and requirements for additional capital, revenue, future

demand for and prices of commodities, business prospects and opportunities. Such forward-looking statements reflect management's current beliefs and are based on information currently available to management.

Forward-looking statements involve known and unknown risks, uncertainties and other factors, which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance, or achievements expressed or implied by the forward-looking statements. A number of factors could cause actual events or results to differ materially from any forward-looking statements, including, without limitation: fluctuations in the prices of the primary commodities that drive royalty agreements; fluctuations in the value of the U.S. dollar and any other currency in which revenue may be generated, relative to the Canadian dollar; changes in national and local government legislation, including permitting and licensing regimes and taxation policies and the enforcement thereof; regulatory, political or economic developments in any of the countries where properties in which the Company holds a royalty or other interest are located or through which they are held, risks related to the operators of the properties in which the Company holds a royalty or other interest, including changes in the ownership and control of such operators; influence of macroeconomic developments; business opportunities that become available to, or are pursued by the Company; reduced access to debt and equity capital for the Company; financial difficulties or inability to access debt and equity capital by the mine operators of the properties on which the company holds a royalty or other interest, litigation; title, permit or license disputes related to interests on any of the properties in which the Company holds a royalty or other interest; whether or not the Company is determined to have "passive foreign investment company" ("PFIC") status as defined in Section 1297 of the United States Internal Revenue Code of 1986, as amended; the ability to maintain adequate controls as required by law; excessive cost escalation as well as development, permitting, infrastructure, operating or technical difficulties on any of the properties in which the Company holds a royalty or other interest; the possibility that actual mineral content may differ from the Reserves and Resources contained in technical reports; rate and timing of production differences from Resource estimates, other technical reports and mine plans; risks and hazards associated with the business of development and mining on any of the properties in which the Company holds a royalty or other interest, including, but not limited to unusual or unexpected geological and metallurgical conditions, slope failures or cave-ins, flooding and other natural disasters, terrorism, civil unrest or an outbreak of contagious diseases such as COVID-19; the integration of acquired assets; as well as other factors identified and as described in more detail in this MD&A.

The forward-looking statements contained in this MD&A are based on reasonable assumptions that have been made by management as at the date of such information and is subject to unknown risks, uncertainties and other factors that may cause the actual actions, events or results to be materially different from those expressed or implied by such forward-looking information, including, without limitation: the impact of general business and economic conditions; the ongoing operation of the properties in which the Company holds a royalty or other interest by the owners or operators of such properties in a manner consistent with past practice; the accuracy of public statements and disclosures made by the owners or operators of such underlying properties; no material adverse change in the market price of the commodities that underlie the asset portfolio; the Company's ongoing income and assets relating to determination of its PFIC status; no material changes to existing tax treatment; no adverse development in respect of any significant property in which the Company holds a royalty or other interest; the accuracy of publicly disclosed expectations for the development of underlying properties that are not yet in production; the world-wide economic and social impact of a pandemic; integration of acquired assets; actual results of mining and current exploration activities; conclusions of economic evaluations and changes in project parameters as plans continue to be refined; problems inherent to the marketability of precious metals; stock market volatility; competition; and the absence of any other factors that could cause actions, events or results to differ from those anticipated, estimated or intended.

Although Versamet has attempted to identify important factors that could cause actual actions, events or results to differ materially from those contained in forward-looking information, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that such information

will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. Investors are cautioned that forward-looking statements are not guarantees of future performance. The Company cannot assure investors that actual results will be consistent with these forward-looking statements. Accordingly, investors should not place undue reliance on forward-looking statements or information. This MD&A contains future-orientated information and financial outlook information (collectively, "FOFI") about the Company's revenues from royalty and other interests, other projects which are subject to the same assumptions, risk factors, limitations and qualifications set forth in the above paragraphs. FOFI contained in this MD&A was made as of the date of this MD&A and was provided for the purpose of providing further information about the Company's anticipated business operations. Versamet disclaims any intention or obligation to update or revise any FOFI contained in this MD&A, whether as a result of new information, future events or otherwise, unless required pursuant to applicable law. FOFI contained in this MD&A should not be used for the purposes other than for which it is disclosed herein.

Except where otherwise stated, the disclosure in this MD&A relating to properties and operations in which Versamet holds a royalty or other interest is based on information publicly disclosed by the owners or operators of these properties and information/data available in the public domain as at the date hereof, and none of this information has been independently verified by Versamet. Specifically, as a royalty holder, Versamet has limited, if any, access to properties on which it holds royalties or other interests in its asset portfolio. The Company may from time to time receive operating information from the owners and operators of the mining properties, which it is not permitted to disclose to the public. Versamet is dependent on, (i) the operators of the mining properties and their qualified persons to provide information to Versamet, or (ii) on publicly available information to prepare disclosure pertaining to properties and operations on the properties on which the Company holds royalty or other interests, and generally has limited or no ability to independently verify such information. Although the Company does not have any knowledge that such information may not be accurate, there can be no assurance that such third-party information is complete or accurate. Some reported public information in respect of a mining property may relate to a larger property area than the area covered by Versamet's royalty or other interests. Versamet's royalty or other interests may cover less than 100% of a specific mining property and may only apply to a portion of the publicly reported Mineral Reserves, Mineral Resources and or production from a mining property.

### **Qualified Persons**

The scientific and technical information contained in this MD&A has been reviewed and approved by Diego Airo, P.Eng, Vice President of Evaluations for Versamet and a member of the Association of Professional Engineers and Geoscientists of the Province of British Columbia. Mr. Airo is a Qualified Person as defined in the National Instrument 43-101 — Standards of Disclosure for Mineral Projects ("NI 43-101").

### **Technical Information**

Unless otherwise stated, the terms "mineral reserve", "proven mineral reserve" and "probable mineral reserve" are Canadian mining terms defined in accordance with NI 43-101 and the Canadian Institute of Mining, Metallurgy and Petroleum (the "CIM") — CIM Definition Standards on Mineral Resources and Mineral Reserves, adopted by the CIM Council, as amended. In addition, the terms "mineral resource", "measured mineral resource", "indicated mineral resource" and "inferred mineral resource" are defined in and required to be disclosed by NI 43-101. Investors are cautioned not to assume that any part or all of the mineral deposits in these categories will ever be converted into reserves. Inferred mineral resources have a great amount of uncertainty as to their existence and as to their economic and legal feasibility.