

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2026

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INTRODUCTION

This Management's Discussion and Analysis ("MD&A") is prepared as of August 11, 2026. The MD&A provides information that management believes is relevant to an assessment and understanding of the consolidated financial condition and results of operations of Andean Precious Metals Corp. ("Andean" or the "Company"). This MD&A should be read in conjunction with both the Company's unaudited condensed consolidated interim financial statements for the three and six months ended June 30, 2026 and 2025 and the notes thereto (the "Financial Statements") which were prepared in accordance with International Accounting Standards ("IAS") 34 – Interim Financial Reporting. In addition, this MD&A should be read in conjunction with the Company's audited consolidated financial statements for the years ended December 31, 2025, 2024, and 2023 and the notes thereto (the "Financial Statements") which were prepared in accordance with IFRS Accounting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"), and the related annual MD&A for the year ended December 31, 2025. The Company's Financial Statements, MD&As, and press releases have been filed electronically through the System for Electronic Document Analysis and Retrieval ("SEDAR+") at www.sedarplus.ca and on our website at www.andeanpm.com.

This discussion addresses matters the Company considers important for an understanding of the Company's financial condition and results of operations as at and for the three and six months ended June 30, 2026 as well as the Company's 2026 outlook. Readers are cautioned that the MD&A contains forward-looking statements about expected future events and the financial and operating performance of the Company, and that actual events may vary from management's expectations. Readers are encouraged to read the section "Forward Looking Statements" included in this MD&A.

All amounts are presented in U.S. dollars ("$"), unless otherwise stated. All tabular amounts are expressed in thousands of U.S. dollars, except share, per share or per ounce amounts. Due to rounding, numbers presented throughout this MD&A may not add precisely to the totals provided.

Throughout this MD&A, the reporting periods for the three and six months ended June 30, 2026, and 2025 are abbreviated as Q2 2026, YTD 2026, Q2 2025, and YTD 2025, respectively. Unless otherwise noted, "Au" represents gold; "Ag" represents silver; "oz" represents troy ounce; "g/t" represents grams per metric tonne; "k" represents thousand, "ft." represents feet; "m" represents meter; "sq." represents square, and C$ refers to Canadian dollars. The word "we" or "our" refers to Andean and/or one or more or all its subsidiaries, as it may apply. Reference to "industry" means the precious metals mining industry.

ENDNOTES

Note references throughout the document are to endnotes which can be found at the end of this MD&A.

USE OF NON-GAAP FINANCIAL PERFORMANCE METRICS

In this MD&A, we use the following non-GAAP financial performance measures: Operating Cash Costs ("OCC"), All-In-Sustaining Costs ("AISC"), Cash Gross Operating Margin ("CGOM"), Gross Margin Ratio ("GMR"), Free Cash Flow, EBITDA, Adjusted EBITDA, Average Realized Gold Price, Average Realized Silver Price, CAPEX, and Liquid Assets. Please see the discussion under the "Non-GAAP Financial Measures, Ratios and Supplementary Financial Measures" section herein.

OUR BUSINESS

Andean Precious Metals is a gold and silver mining company engaged in the development and operation of mineral properties. The assets of the Company, through its wholly owned subsidiaries, are comprised of the Golden Queen Mining Company LLC ("Golden Queen"), located in California, USA, and the Empresa Minera Manquiri S.A. oxides processing facility, located near the city of Potosí, Bolivia, which, together with the revenues and costs recognized in the Company's Swedish entity in connection with the sale of silver doré produced at the facility, is referred to as "San Bartolomé". The Company also maintains an administrative office in Mexico that provides support services to the group, the costs of which are allocated to San Bartolomé, Golden Queen and corporate activities, as applicable.

The Company's common shares are listed on the Toronto Stock Exchange ("TSX") under the symbol APM. Andean's common shares also trade on the OTCQX Venture Market ("OTCQX") under the symbol ANPMF. For further information on the Company, visit www.andeanpm.com.

CONSOLIDATED OPERATING HIGHLIGHTS

	Q2 2026	Q2 2025	**YTD 2026**	YTD 2025
Gold ounces (Au, Oz)				
Produced	**9,102**	11,946	**21,091**	23,024
Sold	**6,149**	11,403	**18,179**	22,227
Average realized gold price ($/oz) [1]	**4,453**	3,316	**4,719**	3,013
Silver ounces (Ag, K-Oz)				
Produced	**1,384**	1,115	**2,689**	2,041
Sold	**524**	1,046	**1,841**	2,074
Average realized silver price ($/oz) [1]	**76.82**	34.36	**78.73**	33.14
Gold equivalent ounces (Au Eq, Oz) [2]				
Produced	**25,388**	24,340	**52,730**	45,701
Sold	**12,314**	23,024	**39,841**	45,275
Golden Queen				
OCC ($ / Gold Ounces Sold)[1,4]	**1,779**	1,717	**1,664**	1,593
AISC ($ / Gold Ounces Sold) [1,4]	**2,159**	2,049	**1,970**	2,058
San Bartolome				
CGOM ($ / Silver Equivalent Ounces Sold)[1,4]	**25.56**	15.79	**33.47**	14.62
GMR / Silver Equivalent Ounces Sold (%)[1,4]	**33.31**	45.89	**42.32**	44.08

- At the end of Q2 2026, the Company deferred the sale of production for strategic treasury management purposes, resulting in finished inventory of approximately 731,939 ounces of silver and 2,585 ounces of gold at quarter-end. The deferral decision provides the Company with additional flexibility to monetize finished inventory; as this inventory is measured at cost, the Company will realize the margin on these ounces in the third quarter of 2026 following their sale subsequent to quarter-end (see "Sale of Deferred Inventory" in the Corporate Developments section below). As a result, consolidated gold equivalent ounce ("GEO")[2] sales of 12,314 ounces for Q2 2026 represented approximately 49% of GEO production and reported revenue and earnings for the quarter do not fully reflect the Company's underlying operating performance.

- Consolidated gold production of 9,102 ounces and silver production of 1.4 million ounces for Q2 2026, representing a GEO[2] production of 25,388 ounces – an increase of approximately 4% over Q2 2025, driven by continued strong performance at San Bartolome, where higher ore purchase volumes and grades and higher throughput drove a 31% increase in silver equivalent production, partially offset by lower production at Golden Queen. YTD 2026 GEO production of 52,730 ounces represents an increase of approximately 15% over YTD 2025.

- Average realized gold price of $4,453/oz and average realized silver price of $76.82/oz for Q2 2026, representing an increase of approximately 34% and 124%, respectively, compared to Q2 2025 average realized prices of $3,316/oz and $34.36/oz, reflecting significantly stronger precious metals markets. During

Q2 2026, the LBMA average gold and silver prices were $4,506/oz and $73.15/oz, respectively. Revenue, the most directly comparable IFRS measure to average realized prices, was $67.6 million for Q2 2026 (Q2 2025: $73.7 million). See “Economic Outlook” section, below, for further detail.

- Golden Queen reported an OCC of $1,779/oz and AISC of $2,159/oz for Q2 2026, compared to an OCC of $1,717/oz and AISC of $2,049/oz for Q2 2025. The increase in per-ounce metrics primarily reflects lower gold ounces sold, resulting from lower production and the deferral of gold sales as part of the Company’s strategic deferral of sales, partially offset by lower sustaining capital expenditures. Golden Queen cost of sales was $15.8 million for Q2 2026 (Q2 2025: $21.6 million).

- San Bartolome achieved a CGOM of $25.56/oz for Q2 2026, compared to a CGOM of $15.79/oz for Q2 2025, reflecting continued strong margin performance driven by substantially higher realized silver prices. GMR was 33.31% for Q2 2026 compared to 45.89% for Q2 2025, primarily reflecting higher ore purchase costs linked to the spot price of silver. San Bartolome cost of sales was $23.6 million for Q2 2026 (Q2 2025: $18.7 million).

CONSOLIDATED FINANCIAL HIGHLIGHTS

(In thousands of US dollars, except for net income per share metrics)	**Q2 2026**	Q2 2025	**YTD 2026**	YTD 2025
Silver revenue	**40,254**	35,930	**144,962**	68,747
Gold revenue	**27,383**	37,809	**85,795**	66,970
Total Revenue	**67,637**	73,739	**230,757**	135,717
Gross operating income	**23,564**	29,381	**99,136**	52,404
Income from operations	**10,911**	24,538	**76,290**	43,460
Net income (loss)	**(14,012)**	17,413	**34,234**	32,021
Net income (loss) per share				
-Basic	**(0.09)**	0.12	**0.23**	0.22
-Diluted	**(0.09)**	0.12	**0.22**	0.21
Adjusted EBITDA [1]	**15,657**	28,895	**86,612**	50,833
CAPEX [1,3]	**4,618**	9,043	**8,763**	17,596
Free cash flow [1]	**(55,509)**	12,265	**(15,959)**	10,727
Cash and cash equivalents	**52,237**	36,073	**52,237**	36,073
Liquid Assets[1,5,6]	**170,771**	90,537	**170,771**	90,537

- As part of the strategic deferral of sales at the end of Q2 2026, the Company held back finished inventory of approximately 731,939 ounces of silver and 2,585 ounces of gold. The deferral reduced Q2 2026 revenue, gross operating income, net income, earnings per share, free cash flow, and Adjusted EBITDA. As the deferred ounces were sold subsequent to quarter-end, the related revenue and margin will be recognized in the third quarter of 2026.

- Revenue of $67.6 million for Q2 2026, compared to $73.7 million for Q2 2025, a decrease of approximately 8% year-over-year, arising from the deferral of the silver and gold sales and significantly offset by higher realized gold and silver prices as the deferral of silver and gold sales more than offset significantly higher realized gold and silver prices. Of the total $67.6 million in revenue, $40.3 million or 60% is attributed to silver sales and $27.4 million or 40% is attributed to gold sales, compared to $35.9 million or 49% and $37.8 million or 51% for silver and gold, respectively, for Q2 2025. For YTD 2026, revenue increased approximately 70% to $230.8 million from $135.7 million, driven by significantly higher realized gold and silver prices and strong sales volumes in the first quarter of 2026 notwithstanding the deferral of silver and gold sales at quarter-end.

- Gross operating income of $23.6 million for Q2 2026, compared to $29.4 million for Q2 2025, as lower sales volumes resulting from the strategic sales deferral more than offset significantly higher realized gold and silver prices. For YTD 2026, gross operating income increased to $99.1 million from $52.4 million for YTD 2025.

- Net loss of $14.0 million and net loss per share of $0.09 (basic and diluted basis) for Q2 2026, compared to net income of $17.4 million and net income per share of $0.12 for Q2 2025, primarily reflecting the deferral of silver and gold sales, a decrease in the fair value of the Company's marketable securities, and a foreign

exchange loss primarily related to the Bolivian boliviano. Adjusted EBITDA was $15.7 million for Q2 2026 compared to $28.9 million for Q2 2025. For YTD 2026, net income of $34.2 million and Adjusted EBITDA of $86.6 million compared to $32.0 million and $50.8 million, respectively, for YTD 2025.

- For the three and six months ended June 30, 2026, free cash flow was an outflow of $55.5 million and $16.0 million, respectively, compared to inflows in the prior-year periods, primarily due to the build-up of finished inventory due to the strategic sale deferral, partially offset by lower capital expenditures. With the sale of this inventory subsequent to quarter-end (see “Sale of Deferred Inventory”, below), the Company expects this free cash flow impact to reverse in the third quarter of 2026 as the related proceeds are received and the margin on these ounces is realized. Net cash used in operating activities was $50.9 million for Q2 2026 and $7.2 million for YTD 2026 (Q2 2025: $20.3 million provided; YTD 2025: $27.3 million provided).

- The Company ended Q2 2026 with $170.8 million in Liquid Assets, compared to $90.5 million at the end of Q2 2025. Effective Q2 2026, Liquid Assets includes metal at third-party refineries and doré inventory, measured at cost, which includes the finished inventory subject to the Company’s strategic sales deferral. See Endnote 6. Cash and cash equivalents were $52.2 million as at June 30, 2026 (June 30, 2025: $36.1 million).

- The Company continued to deleverage the balance sheet with a second quarter 2026 repayment of $15.0 million on its Revolving Credit Facility, reducing the Revolving Credit Facility balance to $14.5 million as at June 30, 2026 from $30.0 million as at December 31, 2025. Overall, total liabilities decreased to $152.0 million as at June 30, 2026 from $170.3 million as at December 31, 2025, while total assets increased to $453.3 million from $433.9 million, resulting in an increase in total equity to $301.3 million from $263.6 million.

SAFETY AND ENVIRONMENT

Safety

Andean's core values include providing a healthy and safe working environment for all employees, local contractors and consultants with a focus on internal and external training and workplace inspections. Andean's health and safety programs comply with all mining-related regulations and the Company's leadership team is strongly committed to health and safety and reinforces these core values at all levels of the organization.

During the second quarter of 2026, Golden Queen reported zero lost time injuries ("LTIs"), two medical treatment cases, one restricted work injury and six first aid incidents. At the end of the second quarter of 2026, Golden Queen reached 386 consecutive days without an LTI and reported a Total Recordable Injury Frequency ("TRIF") of 2.23.

At San Bartolome, no lost time injuries, restricted work cases or other reportable injuries were recorded during the second quarter of 2026. One first aid incident and one property damage incident were reported during the period.

The Company continues to prioritize the safety of its workforce through ongoing training, operational oversight and continuous improvement of its health and safety programs.

Environment

During the second quarter of 2026, the Company continued to advance its environmental management practices across its operations.

At Golden Queen, fifteen dust exceedances were recorded during the quarter as a result of high wind events. The Company continues to evaluate additional dust suppression measures to further improve air quality performance. The required wildlife survey for the proposed Heap Leach Pad 2 expansion was completed, supporting ongoing permitting activities, and four lysimeters were replaced to enhance the site's environmental monitoring network.

At San Bartolome, the operation continued its environmental monitoring and compliance activities throughout the quarter. Environmental inspections were completed, groundwater monitoring programs continued, and environmental certification was obtained from the Municipal Environmental Office. The Company also continued to work with local authorities and communities regarding the tailings dam perimeter fencing project. No significant environmental incidents or regulatory breaches were identified during the period.

Community

The Company continues to maintain strong relationships with local communities surrounding its operations through ongoing engagement and support initiatives.

San Bartolome:

- Continued collaboration with local communities through employment initiatives, infrastructure planning and community development projects.
- Progressed agreements with the Ayllu Jesús de Machaca, a nearby community relating to industrial water rights and the tailings dam perimeter fencing project.
- Delivered first aid training to staff at the Chalviri Educational Unit and supported community infrastructure initiatives, including assistance for the Villa Concepción sewerage project.

Golden Queen:

- Financially supported the Safe Haven Nonprofit in support of its annual Easter event for local children.

- Continued to support local community initiatives through charitable contributions and engagement activities.

CORPORATE DEVELOPMENTS

On January 28, 2026, PMB Partners LP, the Company's principal shareholder, completed a bought deal secondary offering of 9,102,250 common shares of the Company. The Company did not issue any new shares and received no proceeds from the offering, as all proceeds were paid directly to PMB Partners LP. The secondary offering was undertaken as part of an initiative to increase the Company's public float and enhance trading liquidity of its common shares on the TSX.

On March 10, 2026, the Company announced its intention to apply for a listing of its common shares on the New York Stock Exchange ("NYSE"). The Company expects its common shares to commence trading on the NYSE in 2026, under a new ticker symbol to be announced, subject to the satisfaction of customary listing conditions and completion of remaining regulatory steps. The Company's common shares will continue to trade on the TSX under the symbol "APM." The NYSE listing is intended to broaden the Company's investor base, increase liquidity, and enhance the Company's visibility among North American institutional investors.

On March 18, 2026, the Company announced its inclusion in the VanEck Junior Gold Miners ETF ("GDXJ"), effective at the close of trading on March 20, 2026, in connection with the GDXJ's quarterly rebalance. GDXJ is a leading exchange-traded fund providing exposure to small- and mid-cap companies primarily focused on gold and silver mining and is widely followed by institutional and retail investors. The Company's inclusion in the index reflects its continued growth and increased public float, and is expected to enhance the visibility, accessibility and liquidity of its common shares among a broader global investor base.

Effective March 31, 2026, Yohann Bouchard mutually agreed to part ways with the Company and stepped down from his roles as President and Director. To support an orderly transition, Mr. Bouchard was engaged by the Company in a consulting capacity following his departure.

Effective April 20, 2026, the Company appointed Victor Flores as Senior Vice President, Exploration, Operations and Growth. Mr. Flores is a mining and investment professional with over 35 years of experience spanning geological and exploration expertise, mine development, operational optimization, and strategic growth. He has held senior leadership positions at Orion Resource Partners, Paulson & Co., and HSBC, and most recently served as Principal at Verum Metalla Advisors. Mr. Flores holds a Bachelor of Geological Sciences and a Master of Arts in Energy and Mineral Resource Management from The University of Texas at Austin and is a Chartered Financial Analyst.

On June 28, 2026, the Company announced that the Toronto Stock Exchange had accepted its notice of intention to make a normal course issuer bid ("NCIB"). Under the NCIB, the Company may purchase up to 4,000,000 common shares, representing approximately 2.65% of its issued and outstanding common shares as at June 22, 2026, during the 12-month period commencing July 2, 2026 and ending no later than July 1, 2027. All shares purchased under the NCIB will be cancelled. In connection with the NCIB, the Company entered into an automatic securities purchase plan with its designated broker, Desjardins Capital Markets, to facilitate purchases during regulatory or self-imposed blackout periods. The Company is undertaking the NCIB because, in the opinion of the Company's Board of Directors, the market price of its common shares may from time to time not fully reflect the underlying value of the Company's business, and repurchases at such times represent an appropriate use of available funds. Subsequent to quarter-end and through the date of this MD&A, the Company purchased 2,096,330 common shares under the NCIB at a weighted average price of C$6.04 per share, for total consideration of approximately C$12.7 million. All shares purchased under the NCIB have been, or will be, cancelled.

On June 30, 2026, at the Company's Annual General Meeting of Shareholders, Stephen J. Altmann was elected to the Board of Directors as an independent director. Mr. Altmann is a senior mining executive, investment banker and public company director with more than 30 years of experience advising boards and management teams on mergers and acquisitions, financing, strategic transactions, corporate governance and capital allocation decisions in the mining sector. He is currently Managing Director and Head of Mining at MPA Morrison Park Advisors, an independent investment bank focused on complex mining transactions and strategic advisory mandates. Mr. Altmann previously served as President and Director of ECU Silver Mining, a TSX-listed silver producer, and held progressively senior investment banking positions with Desjardins Securities, Scotia Capital, Credit Suisse First Boston and RBC Capital Markets. He currently serves on the boards of Cambria Gold and Mundoro Capital and has previously served on the boards of several public mining companies. Mr. Altmann holds an MBA in Finance from McMaster University and an Honours B.Sc. in Geophysics from Western University.

Additionally, at the Company's Annual General Meeting of Shareholders held on June 30, 2026, shareholders approved the appointment of Ernst & Young LLP as the Company's auditors, replacing KPMG LLP, and authorized the directors to fix the auditors' remuneration. The change in auditors was made in accordance with National Instrument 51-102 – Continuous Disclosure Obligations, and the reporting package relating to the change of auditors, including letters from each of KPMG LLP and Ernst & Young LLP, is available under the Company's profile on SEDAR+ at www.sedarplus.ca. There were no reservations in KPMG LLP's audit reports for the relevant periods and no "reportable events" (as defined in National Instrument 51-102) in connection with the change.

Sale of Deferred Inventory

Subsequent to June 30, 2026, the Company sold the deferred finished inventory held at third-party refineries at quarter-end, comprising approximately 731,939 ounces of silver and 2,585 ounces of gold, at weighted average realized prices of $62.26 per silver ounce and $4,168 per gold ounce, for gross proceeds of approximately $56.3 million. This inventory was carried at a cost of $37.6 million as at June 30, 2026, and the related revenue will be recognized in the Company’s results for the three months ending September 30, 2026.

PRODUCTION, COST AND MARGIN GUIDANCE

This guidance includes forward-looking information about the Company’s 2026 operations and financial expectations. This guidance, including expected results and targets, is subject to various risks, uncertainties, and assumptions, predicated on global economic conditions. Actual results may vary materially from management’s expectations. See the “Forward-Looking Statements” and “Risks Factors” sections later in this MD&A for further information. The Company does not provide a reconciliation of its forward-looking non-GAAP guidance measures to the most directly comparable IFRS measures because certain items required for such a reconciliation are dependent on future events and market conditions and are not reasonably estimable without unreasonable effort.

The Company is reiterating its full-year 2026 production, cost and margin guidance as originally provided.

Production Guidance

Consolidated	2026
Gold ounces (Au, K-Oz)	46 - 54
Silver ounces (Ag, M-Oz)	4.6 - 5.1
Gold Equivalent Ounces (K-GEO)[2]	100 - 114
Golden Queen	
Gold ounces (Au, K-Oz)	43 - 50
Silver ounces (Ag, K-Oz)	200 - 300
Gold Equivalent Ounces (K-GEO) [2]	45 - 54
San Bartolome	
Silver ounces (Ag, M-Oz)	4.4 - 4.8
Gold ounces (Au, K-Oz)	3 - 4
Gold Equivalent Ounces (K-GEO)[2]	55 - 60

Cost and Margin Guidance

Golden Queen	2026
Cash Cost ($/ Au oz, sold, by-product) [1,4]	$1,500 - $1,800
AISC ($/ Au oz, sold, by-product) [1,4]	$1,850 - $2,150
San Bartolome	
CGOM ($/ AgEq oz, sold) [1,4]	$20.00 - $35.00
GMR (%/ AgEq oz, sold) [1,4]	35% - 45%

CAPEX Guidance

Sustaining CAPEX[1]	2026 ($USD, 000s)
Golden Queen	$15,000 - $20,000
San Bartolome	$2,000 - $4,000
Growth CAPEX[1]	
Golden Queen	$17,000 - $23,000
San Bartolome	$4,000 - $7,000
Consolidated CAPEX	
Golden Queen	$32,000 - $43,000
San Bartolome	$6,000 - $11,000

The Company has assumed a foreign exchange rate of 9.00 Bolivian Bolivianos (“BOB”) to 1.00 US dollar in its guidance.

REVIEW OF CONSOLIDATED FINANCIAL RESULTS

Summary of Financial Results	**Q2 2026**	Q2 2025	**YTD 2026**	YTD 2025
(In thousands of US dollars, except for net income per share metrics)				
Revenue	**67,637**	73,739	**230,757**	135,717
Operating expenses	**39,398**	40,356	**121,464**	76,336
Depreciation and depletion	**4,675**	4,002	**10,157**	6,977
Gross operating income	**23,564**	29,381	**99,136**	52,404
General and administrative	**4,812**	3,063	**8,412**	5,772
Share based compensation	**2,047**	974	**4,508**	1,344
Exploration, evaluation and corporate development	**5,794**	806	**9,926**	1,828
Income from operations	**10,911**	24,538	**76,290**	43,460
Other income (loss)	**(10,374)**	8,743	**(13,164)**	13,626
Finance costs	**(1,338)**	(1,180)	**(2,796)**	(2,867)
Foreign exchange gain (loss)	**(3,653)**	(4,410)	**(1,748)**	(9,771)
Net income (loss) before income taxes	**(4,454)**	27,691	**58,582**	44,448
Income tax expense (recovery)	**9,558**	10,278	**24,348**	12,427
Net income (loss)	**(14,012)**	17,413	**34,234**	32,021
Net income (loss) per share				
-Basic	**(0.09)**	0.12	**0.23**	0.22
-Diluted	**(0.09)**	0.12	**0.22**	0.21
Adjusted EBITDA[1]	**15,657**	28,895	**86,612**	50,833
Free cash flow[1]	**(55,509)**	12,265	**(15,959)**	10,727
Cash and cash equivalents	**52,237**	36,073	**52,237**	36,073
Liquid Assets[1,5,6]	**170,771**	90,537	**170,771**	90,537
Sustaining capital expenditures[1, 3]	**2,904**	4,172	**6,448**	10,358
Growth capital expenditures[1, 3]	**1,713**	4,021	**2,315**	7,238
Capital expenditures	**4,618**	8,200	**8,763**	17,596

Revenue

For the three months ended June 30, 2026, the decrease in revenue relative to the prior-year period was primarily due to the Company's decision, for treasury management purposes, to defer the sale of finished inventory of approximately 731,939 ounces of silver and 2,585 ounces of gold, which was partially offset by higher average realized gold and silver prices. Consolidated GEO sales of 12,314 ounces for the quarter compared to GEO production of 25,388 ounces, with the difference substantially retained in finished inventory. For the six months ended June 30, 2026, the increase in revenue was primarily due to significantly higher average realized gold and silver prices and higher sales volumes relative to the prior-year comparison period.

Operating expenses

For the three months ended June 30, 2026, the decrease in operating expenses relative to the prior-year period was primarily attributed to lower sales volumes resulting from the deferral of silver and gold sales, as noted above. For the six months ended June 30, 2026, the increase in operating expenses was primarily attributed to higher ore

purchase costs at San Bartolome driven by higher purchase volumes and purchase agreements linked primarily to the spot price of silver.

For further detail, please refer to “Review of Operating Assets” section of this MD&A.

Depreciation and depletion

For the three and six months ended June 30, 2026, the increase in depreciation and depletion expenses was primarily attributed to a higher capital asset base and higher production at Golden Queen relative to the prior-year comparison periods.

Gross operating income

For the three months ended June 30, 2026, the decrease in gross operating income was primarily a result of lower revenue due to the deferral of silver and gold sales, partially offset by lower operating expenses, as noted above. For the six months ended June 30, 2026, the increase in gross operating income was primarily a result of significantly higher revenue driven by stronger precious metals prices, partially offset by higher operating expenses.

General and administrative

For the three and six months ended June 30, 2026, general and administrative expenses increased relative to the prior-year periods, primarily due to higher corporate activity levels, including professional fees and other public company costs associated with the Company’s corporate initiatives during the period.

Share based compensation

For the three and six months ended June 30, 2026, share based compensation increased relative to the prior-year periods, primarily due to the issuance of additional share-based compensation at a higher underlying share price compared to the prior-year periods.

Exploration, evaluation, and corporate development

For the three and six months ended June 30, 2026, exploration, evaluation and corporate development expenditures increased relative to the prior-year periods as a result of higher exploration activities at Golden Queen and increased corporate development activity.

Income from operations

For the three months ended June 30, 2026, the decrease in income from operations was primarily a result of lower gross operating income due to the deferral of silver and gold sales, as well as higher share-based compensation and exploration, evaluation and corporate development expenditures, as noted above. For the six months ended June 30, 2026, the increase in income from operations was primarily a result of higher revenue and gross operating income, partially offset by the higher expenditures noted above.

Other income (loss)

Other income (loss) decreased for the three and six months ended June 30, 2026, relative to the prior-year periods, moving from income of $8.7 million in Q2 2025 to a loss of $10.4 million in Q2 2026, and from income of $13.6 million in YTD 2025 to a loss of $13.2 million in YTD 2026, primarily driven by a decrease in the fair value of marketable securities held by the Company.

Finance costs

For the three months ended June 30, 2026, finance costs increased modestly relative to the prior-year period, primarily due to higher fees and interest on the Company’s credit facilities. For the six months ended June 30, 2026, finance costs remained relatively flat compared to the prior-year period.

Foreign exchange gain (loss)

For the three and six months ended June 30, 2026, movement in the foreign exchange gain (loss) was primarily impacted by the volatility of the Bolivian Boliviano, including the transition to a flexible exchange-rate regime announced in June 2026, and the corresponding impact on the Company's foreign denominated monetary assets and liabilities at period end.

Income tax expense

For the three months ended June 30, 2026, income tax expense decreased modestly relative to the prior-year period. For the six months ended June 30, 2026, income tax expense increased significantly relative to the prior-year period, primarily due to a substantial increase in taxable income at the Company's operating assets resulting from the factors discussed above.

Net income and net income per share

For the three months ended June 30, 2026, the Company recorded a net loss and net loss per share relative to net income in the prior-year period, primarily attributed to lower revenue resulting from the deferral of silver and gold sales and a decrease in the fair value of marketable securities, as noted above. For the six months ended June 30, 2026, net income and net income per share increased relative to the prior-year period, primarily attributed to significantly higher operating income driven by stronger precious metals prices, and the other factors discussed above.

Adjusted EBITDA

Adjusted EBITDA for the three months ended June 30, 2026 decreased relative to the prior-year period, primarily due to lower gross operating income resulting from the deferral of silver and gold sales, as noted above. For the six months ended June 30, 2026, adjusted EBITDA increased significantly relative to the prior-year period, primarily due to higher gross operating income driven by stronger gold and silver prices. Adjusted EBITDA reflects only ounces sold and does not capture the value of the produced ounces whose sale has been deferred. Net income (loss) was a net loss of $14.0 million and net income of $34.2 million for the three and six months ended June 30, 2026, respectively (2025: net income of $17.4 million and $32.0 million).

Free cash flow

For the three and six months ended June 30, 2026, free cash flow was an outflow of $55.5 million and $16.0 million, respectively, compared to inflows in the prior-year periods, primarily due to the build-up of finished inventory resulting from the Company's strategic sales deferral, partially offset by lower capital expenditures. With the sale of this inventory subsequent to quarter-end (see "Sale of Deferred Inventory"), the Company expects this free cash flow impact to reverse in the third quarter of 2026 as the related proceeds are received and the margin on these ounces is realized. Net cash provided from (used in) operating activities was an outflow of $50.9 million and $7.2 million for the three and six months ended June 30, 2026, respectively (2025: inflows of $20.3 million and $27.3 million).

Cash and cash equivalents

Cash and cash equivalents increased as of June 30, 2026 relative to June 30, 2025, primarily due to strong cash flow generated from operations over the trailing twelve-month period, partially offset by the build-up of finished inventory resulting from the Company's strategic sales deferral.

Liquid assets

Liquid Assets increased as of June 30, 2026 relative to June 30, 2025, primarily as a result of strong cash flow from operations, an increase in the value of the Company's holdings of marketable securities relative to the prior year, and higher metal at third-party refineries and doré inventory balances, which include the finished inventory subject to the Company's strategic sales deferral. Effective Q2 2026, the Company revised the composition of Liquid Assets

to include metal at third-party refineries and doré inventory (see Endnote 6). As this inventory was measured at cost, the Liquid Assets balance as at June 30, 2026 does not reflect the value realized on the sale of this inventory (see "Sale of Deferred Inventory"). Cash and cash equivalents were $52.2 million as at June 30, 2026 (June 30, 2025: $36.1 million).

Capital expenditures

Capital expenditures for the three and six months ended June 30, 2026 decreased relative to the prior-year periods, primarily due to the timing of spend at Golden Queen, partially offset by sustaining capital requirements across both operating sites.

SUMMARY OF QUARTERLY FINANCIAL RESULTS

	Q2 2026	Q1 2026	Q4 2025	Q3 2025
Revenue	**$ 67,637**	$ 163,120	$ 133,688	$ 90,422
Net income (loss)	**(14,012)**	48,246	42,399	43,739
Earnings income (loss) per share				
Basic	**(0.09)**	0.32	0.28	0.29
Diluted	**(0.09)**	0.32	0.28	0.29
Total assets	**453,325**	485,451	433,932	360,840
Total liabilities	**$ 151,982**	$ 171,096	$ 170,284	$ 145,178

	Q2 2025	**Q1 2025**	**Q4 2024**	**Q3 2024**
Revenue	$ 73,739	$ 61,978	$ 72,803	$ 68,348
Net income (loss)	17,413	14,608	1,706	8,210
Earnings income (loss) per share				
Basic	0.12	0.10	0.01	0.05
Diluted	0.12	0.10	0.01	0.05
Total assets	310,949	310,444	305,118	307,639
Total liabilities	$ 139,442	$ 155,125	$ 161,255	$ 172,005

REVIEW OF OPERATING ASSETS

San Bartolome Highlights

Financial Performance *(in thousands of US dollars)*	**Q2 2026**	Q2 2025	**YTD 2026**	YTD 2025
Revenue	**35,414**	34,788	**143,718**	67,418
Ore purchases	**51,388**	11,427	**94,762**	17,780
Milling and processing costs	**7,695**	7,444	**16,464**	12,804
Other indirect costs	**8,457**	2,743	**15,786**	5,151
Mine site general and admin costs	**741**	1,162	**1,729**	1,753
Net inventory movements	**(44,664)**	(4,037)	**(43,973)**	153
Depreciation and amortization	**555**	720	**1,331**	1,362
Gross operating income	**11,242**	15,329	**57,618**	28,415
Exploration and evaluation	**811**	210	**2,288**	372
Income from operations	**10,431**	15,119	**55,330**	28,043
Capital expenditures				
Sustaining capital[1,3]	**679**	684	**1,600**	873
Growth capital[1,3]	**229**	288	**458**	400
Total capital expenditures	**908**	972	**2,058**	1,273

Operational Performance		**Q2 2026**	Q2 2025	**YTD 2026**	YTD 2025
Ore purchases					
Tonnes purchased	k dmt	**324**	246	**644**	443
Average purchase grade	Ag g/t	**170**	147	**159**	150
Production					
Ore tonnes milled	k dmt	**389**	322	**761**	630
Daily average throughput	dmt	**4,394**	3,763	**4,452**	3,806
Average head grade	Ag g/t	**130**	122	**128**	111
Silver recovery	%	**82**	83	**82**	83
Silver production	k oz	**1,318**	1,027	**2,547**	1,873
Gold production	Oz	**1,312**	722	**2,701**	1,491
Silver equivalent production[2]	k oz	**1,430**	1,092	**2,777**	2,007
Gold equivalent production [2]	Oz	**16,820**	12,130	**32,666**	22,302
Sales					
Silver sales	k oz	**461**	958	**1,716**	1,910
Gold sales	Oz	**-**	532	**1,670**	1,327
Silver equivalent sales [2]	k oz	**461**	1,007	**1,858**	2,030
Gold equivalent sales [2]	Oz	**5,430**	11,179	**21,864**	22,549
Margin profile per ounce					
CGOM ($ / Silver Equivalent Ounces Sold) [1,4]	$/oz	**25.56**	15.79	**33.47**	14.62
GMR / Silver Equivalent Ounces Sold (%) [1,4]	%	**33.31**	45.89	**42.32**	44.08

San Bartolome Review

Production

Production for the three and six months ended June 30, 2026, was 1.4 million and 2.8 million silver equivalent ounces, an increase of 31% and 38%, respectively, over the comparison periods. The increase is primarily attributed to higher ore purchase volumes and average purchase grade, as well as higher ore tonnes milled and average head grade processed through the mill.

Revenue

Revenue for the three months ended June 30, 2026, when compared to the prior-year period, remained relatively flat at $35.4 million as significantly higher average realized silver prices were largely offset by lower sales volumes resulting from the Company's deferral of silver and gold sales. Silver sales of approximately 0.5 million ounces represented approximately 35% of quarterly silver production, and no gold ounces were sold during the quarter. Revenue for the six months ended June 30, 2026, increased significantly to $143.7 million from $67.4 million, primarily due to substantially higher average realized silver prices and higher sales volumes in the first quarter of 2026.

Operating Expenses

For the three and six months ended June 30, 2026, operating expenditures increased primarily due to higher ore purchase costs driven by higher ore purchase volumes and purchase agreements linked primarily to the spot price of silver. The increase was partially offset by higher net inventory movement credits, reflecting the build-up of finished goods inventory associated with the strategic sales deferral and higher ore stockpiles at period end.

Depreciation and amortization

Depreciation and amortization expenses decreased modestly for the three and six months ended June 30, 2026, due to a lower carrying value of property, plant, and equipment at San Bartolome over the comparison periods.

Cash Gross Operating Margin and Gross Margin Ratio

CGOM increased significantly for the three and six months ended June 30, 2026, to $25.56 and $33.47 per silver equivalent ounce sold, respectively, from $15.79 and $14.62 in the prior-year periods, primarily due to substantially higher average realized silver prices outpacing the increase in per-ounce operating costs. San Bartolome cost of sales was $23.6 million and $84.8 million for the three and six months ended June 30, 2026, respectively (2025: $18.7 million and $37.6 million).

GMR decreased to 33.31% and 42.32% for the three and six months ended June 30, 2026, respectively, from 45.89% and 44.08% in the prior-year periods, primarily due to higher cost of ore purchased linked to the spot price of silver, partially offset by higher average realized silver prices.

Capital Expenditures

Total capital expenditures for the three months ended June 30, 2026, remained relatively flat compared to the prior-year period. For the six months ended June 30, 2026, total capital expenditures increased to $2.1 million from $1.3 million, primarily due to higher sustaining capital investments at the San Bartolome operations.

Golden Queen Highlights

Financial Performance *(in thousands of US dollars)*	**Q2 2026**	Q2 2025	**YTD 2026**	YTD 2025
Revenue	**32,223**	38,951	**87,039**	68,299
Mining and hauling costs	**13,970**	11,206	**26,133**	21,502
Heap leach and processing costs	**8,072**	8,348	**14,578**	17,075
Other indirect costs	**2,672**	2,878	**5,853**	5,550
Mine site general and admin costs	**1,535**	1,958	**3,309**	3,544
Net inventory movements	**(10,467)**	(2,773)	**(13,178)**	(8,976)
Depreciation and depletion	**4,120**	3,282	**8,826**	5,615
Gross operating income	**12,321**	14,052	**41,518**	23,989
Exploration and evaluation	**4,912**	241	**7,472**	1,060
Income from operations	**7,410**	13,811	**34,046**	22,929
Capital expenditures				
Sustaining capital[1,3]	**2,225**	3,488	**4,837**	9,485
Growth capital[1,3]	**1,484**	3,740	**1,857**	6,838
Total capital expenditures	**3,709**	7,228	**6,694**	16,323

Operational Performance		**Q2 2026**	Q2 2025	**YTD 2026**	YTD 2025
Mining					
Ore tonnes mined	k dmt	**746**	1,389	**1,483**	2,479
Total tonnes mined	k dmt	**3,655**	5,193	**7,454**	10,703
Strip ratio		**3.90**	2.74	**4.03**	3.32
Ore grade mined	Au g/t	**0.64**	0.76	**0.60**	0.69
Heap leach					
Tonnes stacked and processed	k dmt	**790**	1,146	**1,572**	2,129
Average stacked grade	Au g/t	**0.51**	0.73	**0.51**	0.64
Production					
Gold production	Oz	**7,792**	11,224	**18,391**	21,533
Silver production	Oz	**66,024**	88,884	**142,268**	168,128
Gold equivalent production[2]	Oz	**8,568**	12,212	**20,064**	23,401
Sales					
Gold sales	Oz	**6,149**	10,871	**16,510**	20,900
Silver sales	Oz	**62,418**	87,384	**124,761**	164,081
Gold equivalent sales[2]	Oz	**6,883**	11,842	**17,977**	22,723
Costs profile per ounce					
OCC ($ / Gold Ounces Sold) [1,4]	$/oz	**1,779**	1,717	**1,664**	1,593
AISC ($ / Gold Ounces Sold) [1,4]	$/oz	**2,159**	2,049	**1,970**	2,058

Golden Queen Review

Production

GEO production for the three and six months ended June 30, 2026, was 8,568 oz and 20,064 oz, respectively, a decrease over the prior-year periods primarily due to mine sequencing and grade timing.

Revenue

Revenue for the three months ended June 30, 2026, decreased to $32.2 million from $39.0 million in the prior-year period, primarily due to lower gold ounces sold (6,149 ounces sold compared to 7,792 ounces produced), reflecting lower production and the Company's deferral of gold sales, partially offset by higher average realized gold prices. Revenue for the six months ended June 30, 2026, increased to $87.0 million from $68.3 million, primarily due to significantly higher average realized gold prices, partially offset by lower sales volumes.

Operating Expenses

Mining and hauling costs increased for the three and six months ended June 30, 2026, relative to the prior-year periods, primarily due to a higher strip ratio. Heap leach and processing costs decreased over the comparison periods, primarily due to lower tonnes stacked and processed. Net inventory movement credits increased during the comparison periods, reflecting an increase in heap leach inventory and finished goods inventory, including gold ounces subject to the sales deferral.

Depreciation and depletion

Depreciation and depletion expenses increased for the three and six months ended June 30, 2026, primarily due to a higher capital asset base relative to the prior-year comparison periods.

Exploration and Evaluation

Exploration and evaluation expenses increased for the three and six months ended June 30, 2026, due to increased mine-site exploration drilling and related work.

Operating Cash Cost and All-in Sustaining Cost

OCC increased for the three and six months ended June 30, 2026, to $1,779 and $1,664 per gold ounce sold, respectively, from $1,717 and $1,593 in the prior-year periods, primarily due to lower gold ounces sold and higher mining and hauling costs, partially offset by higher net inventory movement credits.

AISC increased for the three months ended June 30, 2026, to $2,159 per gold ounce sold from $2,049 in the prior-year period, primarily due to lower gold ounces sold, partially offset by lower sustaining capital expenditures. For the six months ended June 30, 2026, AISC decreased to $1,970 per gold ounce sold from $2,058 in the prior-year period, primarily due to significantly lower sustaining capital expenditures, partially offset by lower gold ounces sold.

Golden Queen cost of sales was $15.8 million and $36.7 million for the three and six months ended June 30, 2026, respectively (2025: $21.6 million and $38.7 million).

Capital Expenditures

Total capital expenditures decreased significantly for the three and six months ended June 30, 2026, to $3.7 million and $6.7 million, respectively, from $7.2 million and $16.3 million in the prior-year periods, primarily due to the replacement of crushing and stacking equipment and the commencement of the heap leach expansion in the prior year, with current-period expenditures focused on sustaining capital requirements, targeted growth initiatives and timing deferrals.

KEY PERFORMANCE DRIVERS

There is a range of key performance drivers that are critical to the successful implementation of Andean Precious Metals' strategy and the achievement of its goals. The key internal drivers are production volumes and costs. The key external drivers are the market prices of gold and silver as well as foreign exchange rates.

Production Volumes and Costs

For an analysis of the impact of production volumes and costs for the three and six months ended June 30, 2026, relative to the prior-year period, refer to the "Review of Operating Assets" section of this MD&A.

Gold and Silver Commodity Prices

The price of gold and silver is the single largest factor affecting the Company's profitability and operating cash flows. As such, the current and future financial performance of the Company is expected to be closely related to the prevailing price of gold and silver. Historically, the price of silver and gold have been subject to volatile price movements over short periods of time and are affected by numerous macroeconomic, regional conflicts and industry factors that are beyond the Company's control. Specifically, the price of silver is driven by speculation and supply and demand, like most commodities. The spot price of silver is highly volatile compared to that of gold due to the smaller market, lower market liquidity and demand fluctuations between industrial and store of value uses. These fluctuations cause wide-ranging valuations in the market, creating volatility.

At the end of the second quarter of 2026, the Company decided to defer the sale of finished inventory of approximately 731,939 ounces of silver and 2,585 ounces of gold. Subsequent to quarter-end, the Company sold this finished inventory for gross proceeds of approximately $56.3 million (see "Sale of Deferred Inventory" in the Corporate Developments section) and expects the related proceeds to be reflected in its liquid asset balances in the third quarter of 2026. While the deferral reduced reported revenue, earnings, Adjusted EBITDA, and free cash flow for the quarter relative to production levels – with GEO sales representing approximately 49% of Q2 2026 GEO production – consolidated production increased over the prior-year period. See Subsequent Sale discussion above.

For the three months ended June 30, 2026, the Company's average realized gold price per ounce sold was $4,453 compared to $3,316 for the corresponding period in 2025. In comparison, the London Bullion Market ("LBMA") p.m. average gold price for the three months ended June 30, 2026, was $4,506.

For the six months ended June 30, 2026, the Company's average realized gold price per ounce sold was $4,719 compared to $3,013 for the corresponding period in 2025. In comparison, the LBMA p.m. average gold price for the six months ended June 30, 2026, was $4,693.

For the three months ended June 30, 2026, the Company's average realized silver price per ounce sold was $76.82 compared to $34.36 for the corresponding period in 2025. In comparison, the LBMA average silver price for the three months ended June 30, 2026 was $73.15.

For the six months ended June 30, 2026, the Company's average realized silver price per ounce sold was $78.73 compared to $33.14 for the corresponding period in 2025. In comparison, the LBMA average silver price for the six months ended June 30, 2026 was $78.83.

In connection with the Revolving Credit Facility entered into in November 2025, the Company is required to maintain gold put option contracts covering 15% of its forecast gold production for 2026. The put options establish a minimum price of $3,000 per ounce of gold for the hedged production volume. The put option contracts are entered into to manage the Company's exposure to gold price volatility and to comply with the risk management requirements of the Revolving Credit Facility.

Foreign Exchange Rates

The Company's key operations are located in Bolivia and the United States, with corporate offices located in Canada, Mexico, and Sweden. Furthermore, all of the Company's revenue is generated in USD. As a result, the Company has foreign currency exposure with respect to costs not denominated in USD, and the Company's operating results and cash flows are influenced by changes in exchange rates against the USD.

The Company has significant exposure to the Bolivian Boliviano ("BOB") through its San Bartolomé operation and corporate administration activities in Bolivia. Historically, of particular significance was the fixed exchange rate between the BOB and the USD, which had remained constant since 2008 at a rate of 6.96 BOB per USD. In 2024, Bolivia permitted the development of a parallel legal exchange rate that encouraged the inflow of USD into Bolivia. On June 26, 2026, the Bolivian government announced the adoption of a flexible exchange-rate regime, ending the long-standing fixed peg to the USD. Under the new regime, which became effective on June 29, 2026, the exchange rate is determined by supply and demand in the foreign exchange market under the oversight of the Central Bank of Bolivia. Subsequent to quarter-end, the BOB has traded within a range of approximately 9.85 to 12.40 per USD. The transition to a floating exchange rate is expected to reduce the divergence between the official and parallel exchange rates; however, it may introduce additional volatility in the Company's BOB-denominated costs.

For the three and six months ended June 30, 2026, the Company recognized BOB-denominated costs at rates of 9.79 and 9.45, respectively, compared to 15.71 and 13.72 for the corresponding periods in 2025, reflecting actual rates realized through the parallel legal exchange system in effect during substantially all of the period.

The Company also expects to continue monitoring developments in Bolivia's newly adopted foreign exchange regime, which may influence operating costs, liquidity management and the timing of cash flows from its Bolivian operations as the new market-based system continues to evolve.

Economic Outlook

Gold prices reached a high of $4,871 during the quarter, moderating from the record levels reached in the first quarter of 2026, while remaining well above prior-year levels, supported by continued elevated geopolitical risks, falling interest rates, and sustained demand from central banks alongside supply constraints. Looking forward, these factors may provide further support for gold prices.

Silver prices reached a high of $86.79 per ounce during the quarter. The Company anticipates that continued strong industrial and technological demand, supply constraints and structural deficits due to mine supply plateauing, and macro economic factors should provide support for silver metal prices.

FINANCIAL CONDITION REVIEW

BALANCE SHEET REVIEW	As at	
(in thousands of US dollars)	**June 30 2026**	December 31 2025
Cash and cash equivalents	**52,237**	79,211
Marketable securities	**40,599**	60,686
Other current assets	**131,525**	73,392
Long-term marketable securities	**23,914**	26,942
Other non-current assets	**205,050**	193,701
Total assets	**453,325**	433,932
Accounts payable and accrued liabilities	**44,274**	50,497
Other current liabilities	**35,315**	30,460
Long-term debt	**25,048**	40,535
Non-current liabilities excluding long-term debt	**47,345**	48,792
Total liabilities	**151,982**	170,284
Total equity	**301,343**	263,648
Total liabilities and equity	**453,325**	433,932

The Company continued to strengthen and deleverage its balance sheet during the first half of 2026. Total assets increased by $19.4 million to $453.3 million as at June 30, 2026, driven primarily by higher inventory and VAT receivable balances, while total liabilities decreased by $18.3 million to $152.0 million, primarily reflecting the $15.0 million repayment on the Revolving Credit Facility and lower accounts payable and accrued liabilities. As a result, total equity increased by $37.7 million to $301.3 million as at June 30, 2026.

Cash and cash equivalents

Cash and cash equivalents decreased to $52.2 million as at June 30, 2026 compared to $79.2 million as at December 31, 2025, primarily due to the build-up of finished silver and gold inventory in connection with the Company's strategic sales deferral, together with expenditures on capital projects at both mine sites, partially offset by cash flow generated from operations during the period.

Marketable securities and long-term marketable securities

Marketable securities and long-term marketable securities decreased to $64.5 million in aggregate as at June 30, 2026 compared to $87.6 million as at December 31, 2025, primarily due to a decrease in the fair value of the Company's holdings of equity investments.

Other current assets

Other current assets primarily consist of accounts receivable, inventories, and prepaid assets. Other current assets increased to $131.5 million as at June 30, 2026 from $73.4 million as at December 31, 2025, primarily due to higher inventory balances, including the finished silver and gold inventory subject to the Company's strategic sales deferral, and higher accounts receivable reflecting increased operational activity during the period.

Other non-current assets

Other non-current assets primarily consist of the Company's property, plant and equipment, long-term inventory, and tax assets. Non-current assets increased to $205.1 million as at June 30, 2026 from $193.7 million as at

December 31, 2025, primarily due to higher property, plant and equipment balances and increased long-term inventory at Golden Queen.

Accounts payable and accrued liabilities

Accounts payable and accrued liabilities decreased to $44.3 million as at June 30, 2026 from $50.5 million as at December 31, 2025, reflecting the timing of payments to vendors and suppliers during the period.

Other current liabilities

Other current liabilities primarily consist of short-term debt, current income taxes payable, and other statutory payroll obligations. Other current liabilities increased to $35.3 million as at June 30, 2026 from $30.5 million as at December 31, 2025, primarily due to higher current income tax liabilities reflecting the strong earnings generated during the period.

Long-Term Debt

Long-term debt decreased to $25.0 million as at June 30, 2026 from $40.5 million as at December 31, 2025, primarily due to the repayment of $15.0 million on the Company's Revolving Credit Facility during the period, consistent with the Company's continued deleveraging of its balance sheet.

Non-current liabilities excluding long-term debt

Non-current liabilities excluding long-term debt primarily consist of provisions for reclamation, deferred income taxes payable, and other statutory payroll obligations. Non-current liabilities excluding long-term debt remained relatively flat at $47.3 million as at June 30, 2026 compared to $48.8 million as at December 31, 2025.

Equity

Equity increased to $301.3 million as at June 30, 2026 from $263.6 million as at December 31, 2025, primarily due to net income generated during the period and stock-based compensation and related share issuances.

LIQUIDITY AND CASH FLOW

Liquidity

As at June 30, 2026, the Company had a combined cash and cash equivalents and marketable securities of $116.8 million compared to $166.8 million as at December 31, 2025. The decrease primarily reflects the build-up of finished silver and gold inventory resulting from the Company's strategic sales deferral, as well as an unrealized mark-to-market loss on the Company's investments in equity securities. The Company's investment policy is to invest its surplus funds in permitted investments consisting of treasury bills, bonds, notes and other indebtedness of Canada, the U.S., or any other Canadian province or U.S. state with minimum credit rating of A- / A3. Strategic investments in equity securities are also permitted under the Company's investment policy.

As at June 30, 2026, the Company also had an undrawn capacity of $25M on its Revolving Credit facility compared to $10M as at December 31, 2025. The increase primarily relates to the pay-down of the Revolving Credit Facility in Q2 2026. Subsequent to quarter-end, the Company deployed approximately C$12.7 million to repurchase 2,096,330 common shares under its NCIB.

The Company's investments in marketable securities are exposed to various risk factors including currency risk, market price risk, and liquidity risk.

The Company's liquidity is driven by several factors which include, but are not limited to, gold and silver production, gold and silver market prices, capital expenditures, operating costs, interest rates and foreign exchange rates. These factors are monitored and reviewed by the Company on a regular basis.

Cash Flow

The Company's cash flows from operating, investing and financing activities, as presented in the consolidated statements of cash flows, are summarized in the following table for the three and six months ended June 30, 2026 and 2025:

(in thousands of US dollars)	**Q2 2026**	Q2 2025	**YTD 2026**	YTD 2025
Cash flows provided from (used in) operating activities	**(50,891)**	20,260	**(7,196)**	27,275
Cash flow provided from (used in) investing activities	**8,415**	(7,904)	**(918)**	(20,518)
Cash flow provided from (used in) financing activities	**(16,111)**	(25,006)	**(17,110)**	(23,354)
Effect of exchange rate changes on net monetary assets	**(3,655)**	(4,410)	**(1,750)**	(9,771)
Change in cash and cash equivalents	**(62,242)**	(17,060)	**(26,974)**	(26,368)

Cash flow from operating activities is highly dependent on metal prices, including gold and silver, as well as other factors, including the BOB/USD exchange rate and the timing of sale of inventory. For the three and six months ended June 30, 2026, cash flow from operating activities decreased to an outflow relative to the prior-year periods, primarily due to the build-up of finished inventory resulting from the Company's strategic sales deferral and higher VAT receivables, partially offset by significantly higher realized metal prices.

Cash flow used in investing activities primarily relates to the continued capital investment in the Company's operating assets and outlays into marketable securities and other investments as part of the Company's capital management strategy. For the three and six months ended June 30, 2026, cash flow from investing activities improved relative to the prior-year periods, primarily due to net proceeds from dispositions of marketable securities and lower capital expenditures at Golden Queen.

Cash flow used in financing activities decreased for the three and six months ended June 30, 2026, as compared to the prior-year periods. Current-year outflows primarily reflect the repayment of $15.0 million on the Company's Revolving Credit Facility, while the prior-year periods included the repayment of the Company's previous revolving line of credit and shares repurchased under the NCIB.

CONTRACTUAL OBLIGATIONS

As of June 30, 2026, the Company had no future contractual obligations other than those disclosed in the Financial Statements.

LEGAL PROCEEDINGS

In the normal course of business, the Company and its subsidiaries may become defendants in certain employment claims and other litigation. The Company records a liability when it is probable that a loss has been incurred and the amount is reliably estimable. Except for the litigation described below, the Company is not involved in any legal proceedings other than routine litigation arising in the normal course of business, none of which the Company believes will have a material adverse effect on the Company's business, financial condition or results of operations.

On September 12, 2023, the Company entered into a Master Service Agreement (the "Agreement") with Silver Elephant Mining Corp. ("Silver Elephant") for the purchase of oxide material from the Paca mining concession for total consideration of $5.0 million, of which $3.0 million had been paid as of September 30, 2024 based on certain milestone achievements. On December 18, 2024, Silver Elephant delivered a notice of default under the Agreement claiming that the Company owed $1.0 million and demanding payment, together with a dispute notice demanding that the Company cease interfering with Silver Elephant's mining production contract with COMIBOL and reserving the right to pursue a claim for damages arising from such alleged interference. The payment dispute proceeded to

arbitration and, on January 26, 2026, a partial final arbitration award was issued ordering the Company to pay Silver Elephant $1.0 million, less $0.2 million in security deposits held by Silver Elephant. In February 2026, the Company paid Silver Elephant $0.8 million in satisfaction of the award, concluding the arbitration.

On June 17, 2026, Silver Elephant announced that it had filed a Notice of Civil Claim against the Company in Vancouver, British Columbia, alleging, among other things, that the Company improperly interfered with Silver Elephant's contractual and business relationships. The Company believes the allegations are spurious and wholly without merit, categorically denies them, and intends to vigorously respond to and oppose all of Silver Elephant's allegations and claims. As this matter is at an early stage and is pending before the courts, the outcome is not determinable and, as any potential loss is neither probable nor reliably estimable, no provision has been recorded in respect of this claim as at June 30, 2026.

RELATED PARTIES AND RELATED PARTY TRANSACTIONS

Secondary Offering by the Controlling Shareholder

The controlling shareholder is PMB Partners LP, a Canadian partnership directly owned and controlled by the Company's Executive Chairman and Chief Executive Officer.

On January 28, 2026, PMB Partners LP (the "Selling Shareholder") completed a bought deal secondary offering of 9,102,250 common shares. The Company did not issue any new shares and received no proceeds from the secondary offering.

In connection with the secondary offering, the Company supported the offering by filing a prospectus supplement to its previously filed base shelf prospectus and providing customary representations, warranties and indemnities to the underwriting syndicate.

Key Management Personnel

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of executive and non-executive members of the Company's board of directors and corporate officers, including officers at its subsidiaries.

The total compensation paid or payable to key management amounted to:

	Three months ended June 30,		Six months ended June 30,	
	2026	2025	**2026**	2025
Other expenses [1]	**$ 148**	$ 109	**$ 248**	$ 205
Salaries and benefits	**2,526**	1,465	**3,559**	2,158
Share-based compensation	**1,567**	787	**3,208**	953
Total	**$ 4,241**	$ 2,361	**$ 7,015**	$ 3,316

[1] Other expenses were paid to companies controlled by the Executive Chairman of the Company, which includes administrative costs for the corporate office in Mexico and compensation costs and benefits of certain employees in Mexico who provide administrative and operational services to the Company.

NON-GAAP FINANCIAL MEASURES, RATIOS, AND SUPPLEMENTARY FINANCIAL MEASURES

This MD&A includes "specified financial measures" within the meaning of National Instrument 52-112 – Non-GAAP and Other Financial Measures Disclosure ("NI 52-112"), specifically the non-GAAP financial measures, non-GAAP ratios and supplementary financial measures described below. Management believes that the use of these measures assists analysts, investors and other stakeholders of the Company in understanding the costs associated with producing silver and gold, understanding the economics of silver and gold mining, assessing operating performance, the Company's ability to generate free cash flow from current operations, and for planning and forecasting of future periods.

The specified financial measures used in this MD&A do not have any standardized meaning prescribed by IFRS and may not be comparable to similar measures presented by other issuers, even as compared to other issuers who may be applying the World Gold Council ("WGC") guidelines. Accordingly, these measures are intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS.

Operating Cash Costs

OCC includes total production cash costs incurred at the Company's mining operations, which form the basis of the Company's cash costs, less by-product revenue.

The following table provides a reconciliation of the OCC per ounce sold on a by-product basis to the Financial Statements:

Golden Queen	**Three months ended June 30,**		**Six months ended June 30,**	
(in thousands of US dollars)	**2026**	2025	**2026**	2025
Costs of sales, as reported	**15,781**	21,617	**36,695**	38,695
Less: by-product silver credits	**(4,840)**	(2,948)	**(9,218)**	(5,395)
Total OCC	**10,941**	18,669	**27,478**	33,299
Divided by Au ounces sold	**6,149**	10,871	**16,510**	20,900
OCC ($ / Au ounces sold) [4]	**1,779**	1,717	**1,664**	1,593

Consolidated	**Three months ended June 30,**		**Six months ended June 30,**	
(in thousands of US dollars)	**2026**	2025	**2026**	2025
Costs of sales, as reported	**39,398**	40,356	**121,464**	76,336
Less: by-product silver credits	**(40,254)**	(35,931)	**(144,962)**	(68,747)
Total OCC	**(856)**	4,425	**(23,498)**	7,589
Divided by Au ounces sold	**6,149**	11,403	**18,179**	22,227
OCC ($ / Au ounces sold) [4]	**(139)**	388	**(1,293)**	341

All-in Sustaining Costs

AISC on a by-product basis per ounce is a non-GAAP ratio calculated as AISC on a by-product basis divided by ounces of gold sold. AISC on a by-product basis is a non-GAAP financial measure calculated as the aggregate of production costs as recorded in the consolidated statements of income (loss), refining and transport costs, cash component of sustaining capital expenditures, lease payments related to sustaining assets, corporate general and administrative expenses and accretion expenses. When calculating AISC on a by-product basis, all revenue received from the sale silver at Golden Queen are treated as a reduction of costs incurred. The Company believes that AISC represents the total costs of producing gold from current operations and provides the Company and other stakeholders of the Company with additional information relating to the Company's operational performance and ability to generate cash flow.

The following table provides a reconciliation of the AISC per ounce sold on a by-product basis to the Financial Statements:

Golden Queen	**Three months ended June 30,**		**Six months ended June 30,**	
(in thousands of US dollars)	**2026**	2025	**2026**	2025
OCC, net of by-product credits	**10,941**	18,669	**27,478**	33,299
Sustaining capital expenditures	**2,225**	3,488	**4,837**	9,485
Accretion for decommissioning liability	**108**	114	**216**	222
Total all in sustaining cost	**13,275**	22,271	**32,531**	43,006
Divided by Au ounces sold	**6,149**	10,871	**16,510**	20,900
AISC ($ / Au ounces sold)	**2,159**	2,049	**1,970**	2,058

Consolidated	**Three months ended June 30,**		**Six months ended June 30,**	
(in thousands of US dollars)	**2026**	2025	**2026**	2025
OCC, net of by-product credits	**(856)**	4,425	**(23,498)**	7,589
General and administration	**6,859**	4,037	**12,919**	7,116
Sustaining capital expenditures	**2,915**	4,172	**6,448**	10,358
Accretion for decommissioning liability	**374**	315	**738**	637
Total all in sustaining cost	**9,293**	12,950	**(3,393)**	25,700
Divided by Au ounces sold	**6,149**	11,403	**18,179**	22,227
AISC ($ / Au ounces sold)	**1,511**	1,136	**(187)**	1,156

Cash Gross Operating Margin

CGOM per silver equivalent ounce sold is calculated by subtracting the average cash cost of sale (operating expenses, allocated corporate administrative costs and business unit general and administration cost) per equivalent ounce sold from the average selling price per equivalent ounce. It is a measure of financial performance with no prescribed definition under IFRS and may not be comparable to similar financial measures disclosed by other issuers.

The following table provides a reconciliation of the CGOM per ounce to the Financial Statements and the most directly comparable IFRS measure:

San Bartolome	**Three months ended June 30,**		**Six months ended June 30,**	
(in thousands of US dollars)	**2026**	2025	**2026**	2025
Costs of sales, as reported	**23,617**	18,740	**84,769**	37,641
Divided by AgEq ounces sold (koz)	**462**	1,006	**1,858**	2,030
Gross operating cost per AgEq ounce sold	**51.16**	18.62	**45.61**	18.55
Average realized silver price per oz	**76.72**	34.41	**79.08**	33.16
CGOM ($ / Silver Equivalent Ounces Sold)	**25.56**	15.79	**33.47**	14.62

Gross Margin Ratio

GMR is calculated by subtracting the cost of sale as reported in the income statement from the revenue of equivalent ounces divided by revenue from sales of silver equivalent ounces. GMR is a measure of financial performance with no prescribed definition under IFRS and may not be comparable to similar financial measures disclosed by other issuers.

The following table provides a reconciliation of the GMR per ounce to the most directly comparable IFRS measure:

San Bartolome	**Three months ended June 30,**		**Six months ended June 30,**	
(in thousands of US dollars)	**2026**	2025	**2026**	2025
Costs of sales, as reported	**23,617**	18,740	**84,769**	37,641
Divided by AgEq ounces sold (koz)	**462**	1,006	**1,858**	2,030
Costs of sales per AgEq oz sold	**51.16**	18.62	**45.61**	18.55
Average realized silver price per oz	**76.72**	34.41	**79.08**	33.16
GM per AgEq oz sold	**25.56**	15.79	**33.47**	14.62
GMR per Silver Equivalent Ounces Sold (%)	**33.31**	45.89	**42.32**	44.08

Free Cash Flow

The Company has included free cash flow as a non-GAAP financial measure in this MD&A. The Company considers net cash provided from operating activities, less capital expenditures on property, plant and equipment, to be a measure that allows the Company and investors to evaluate the ability of the Company to generate cash flow. Accordingly, free cash flow is intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS.

The following table provides a reconciliation of free cash flow to the Financial Statements:

Consolidated	**Three months ended June 30,**		**Six months ended June 30,**	
(in thousands of US dollars)	**2026**	2025	**2026**	2025
Net cash provided from operating activities	**(50,891)**	20,260	**(7,196)**	27,275
Less: Capital Expenditures on property, plant and equipment	**(4,618)**	(7,995)	**(8,763)**	(16,548)
Free cash flow	**(55,509)**	12,265	**(15,959)**	10,727

Adjusted EBITDA

EBITDA and Adjusted EBITDA are non-GAAP financial measure calculated by adjusting net income (loss) as recorded in the condensed interim consolidated statements of income (loss) for items not associated with ongoing operations. The Company believes that this measure allows the evaluation of the results of income-generating capabilities and is useful in making comparisons between periods. Management uses this measure to monitor and plan for the operating performance of the Company in conjunction with other data prepared in accordance with IFRS.

The following table provides a reconciliation of EBITDA and Adjusted EBITDA to the Financial Statements:

Consolidated	**Three months ended June 30,**		**Six months ended June 30,**	
(in thousands of US dollars)	**2026**	2025	**2026**	2025
Net income	**(14,012)**	17,413	**34,234**	32,021
Add:				
Income taxes	**9,558**	10,278	**24,348**	12,427
Finance costs	**1,338**	1,180	**2,796**	2,867
Depreciation and depletion	**4,675**	4,002	**10,157**	6,977
EBITDA	**1,559**	32,873	**71,535**	54,292
Corporate development expenses	**71**	355	**165**	396
Other losses (gains)	**10,374**	(8,743)	**13,164**	(13,626)
Foreign Exchange loss (gain)	**3,653**	4,410	**1,748**	9,771
Adjusted EBITDA	**15,657**	28,895	**86,612**	50,833

Average Realized Gold and Silver Prices Per Ounce

The Company has included average realized prices as a supplementary non-GAAP financial measure in this MD&A. The Company quantifies average realized price per ounce as revenue per the Statement of Income (loss), bifurcated by gold or silver revenue and divided by ounces of gold or silver sold, respectively. Management uses this measure to monitor sales of silver and gold ounces against the average market silver and gold prices.

The following table provides a reconciliation of average realized prices to the most directly comparable IFRS measure:

Consolidated	**Three months ended June 30,**		**Six months ended June 30,**	
(in thousands of US dollars)	**2026**	2025	**2026**	2025
Silver revenue	**40,254**	35,931	**144,962**	68,747
Divided by silver sold (k oz)	**524**	1,046	**1,841**	2,074
Average realized silver price per oz	**76.82**	34.36	**78.73**	33.14
Gold revenue	**27,383**	37,808	**85,795**	66,970
Divided by gold sold (oz)	**6,149**	11,403	**18,179**	22,227
Average realized gold price per oz	**4,453**	3,316	**4,719**	3,013

Liquid Assets

The Company believes this non-GAAP financial performance measure provides further transparency and assists analysts, investors, and other stakeholders of the Company in assessing the Company's financial position. Effective Q2 2026, Liquid Assets includes metal held at third-party refineries and doré inventory, measured at cost. See Endnotes 5 and 6.

The following table provides a reconciliation of this non-GAAP financial metric to the Financial Statements:

Consolidated	**Three months ended June 30,**		**Six months ended June 30,**	
(in thousands of US dollars)	**2026**	2025	**2026**	2025
Cash and cash equivalents	**52,237**	36,073	**52,237**	36,073
Add: Marketable securities and other investments	**40,599**	51,221	**40,599**	51,221
Add: Long-term marketable securities and other investments	**23,914**	-	**23,914**	-
Add: Metal at third-party refinery inventory	**37,632**	219	**37,632**	219
Add: Dore inventory	**16,389**	3,024	**16,389**	3,024
Liquid assets	**170,771**	90,537	**170,771**	90,537

CAPEX

The Company believes this non-GAAP financial performance measure provides further transparency and assists analysts, investors, and other stakeholders of the Company in assessing the Company's all-in cost of production costs which includes capital expenditures.

	Three months ended June 30,		**Six months ended June 30,**	
(in thousands of US dollars)	**2026**	2025	**2026**	2025
San Bartolome sustaining capital	**679**	684	**1,600**	873
San Bartolome growth capital	**229**	288	**458**	400
Golden Queen sustaining capital	**2,225**	3,488	**4,837**	9,485
Golden Queen growth capital	**1,484**	3,740	**1,857**	6,838
Corporate sustaining capital	**-**	-	**11**	-
Expenditures on property, plant, and equipment per consolidated statement of cash flows	**4,618**	8,200	**8,763**	17,596

MINERAL RESOURCE STATEMENT

Please refer to the previously published and announced mineral resource and reserve statements ("MR&R") for the Golden Queen mine and the San Bartolome operation filed in January 2024 and December 2023, respectively, which were calculated in accordance with the NI 43-101 and generally accepted CIM Guidelines and have been filed on SEDAR+.

OFF-BALANCE SHEET ARRANGEMENTS

As of the date of this filing, the Company does not have any off-balance-sheet arrangements that have, or are reasonably likely to have, a current or future effect on the results of operations or financial condition of the Company including, without limitation, such considerations as liquidity and capital resources that has not previously been discussed.

ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES

See note 2 of the accompanying Financial Statements.

DISCLOSURE OF OUTSTANDING SHARE DATA

The Company has an unlimited number of common shares without par value authorized for issue. The Company does not currently pay dividends.

As of August 11, 2026, the date of this filing, the Company had 149,008,808 common shares and 2,252,201 restricted stock units issued and outstanding.

INTERNAL CONTROLS OVER FINANCIAL REPORTING

In compliance with National Instrument 52-109 - Certification of Disclosure in Issuers' Annual and Interim Filings, the Company has filed certificates signed by the Chief Executive Officer ("CEO") and the Chief Financial Officer ("CFO") that certify, among other things, the establishment and maintenance of disclosure controls and procedures and internal controls over financial reporting.

Disclosure Controls and Procedures

The CEO and the CFO have designed disclosure controls and procedures, or have caused them to be designed under their supervision, in order to provide reasonable assurance that:

(i) material information relating to the Company has been made known to them; and

(ii) information required to be disclosed in the Company's filings or other reports filed under securities legislation, is recorded, processed, summarized and reported within the time periods specified in securities legislation.

There were no changes made to Andean's disclosure controls and procedures in Q2 2026.

Internal Control over Financial Reporting

The CEO and the CFO have also designed internal controls over financial reporting ("ICFR") or have caused them to be designed under their supervision, in order to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. In making this assessment, management used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO") in Internal Control – Integrated Framework (COSO 2013).

Any system of internal control over financial reporting, no matter how well designed, has inherent limitations. Therefore, even systems determined to be effective can provide only reasonable, not absolute, assurance with respect to financial statement preparation and presentation. There have been no significant changes in the Company's internal controls during the three and six months ended June 30, 2026 that have materially affected, or are reasonably likely to materially affect, Andean's internal control over financial reporting.

Limitations of Controls and Procedures

Further, the design of a control system must consider resource constraints, balancing the benefits of controls their costs. In addition, any evaluation of effectiveness projected into future periods is subject to the risk that any design will not achieve its intended objectives under all possible future conditions. Accordingly, because of the inherent limitations in a cost-effective control system, misstatements due to error or fraud may occur undetected.

RISK FACTORS

The Company's activities expose it to a variety of financial market risks, credit risks and liquidity risks, as described in Note 16 of the accompanying financial statements.

For a comprehensive discussion on risks and uncertainties, in respect of the Company business and share price, refer to the section 'Risk Factors in the Company's most recently filed Annual Information Form for the year ended

December 31, 2025, dated March 25, 2026. There were no other significant changes to the Company's financial, operational, and business risk exposure during the three and six months ended June 30, 2026.

FORWARD LOOKING STATEMENTS

Certain statements and information in this MD&A constitute "forward-looking statements" within the meaning of applicable U.S. securities laws and "forward-looking information" within the meaning of applicable Canadian securities laws, which we refer to collectively as "forward-looking statements". Forward-looking statements are statements and information regarding possible events, conditions or results of operations that are based upon assumptions about future economic conditions and courses of action. All statements and information other than statements of historical fact may be forward-looking statements. In some cases, forward-looking statements can be identified by the use of words such as "seek", "expect", "anticipate", "budget", "plan", "estimate", "continue", "forecast", "intend", "believe", "predict", "potential", "target", "may", "could", "would", "might", "will" and similar words or phrases (including negative variations) suggesting future outcomes or statements regarding an outlook.

Forward-looking statements in this MD&A include, but are not limited to statements and information regarding: the Company's future mining activities; the Company's exploration and development plans; the Company's deferral of silver and gold sales, including the recognition in the third quarter of 2026 of revenue from the sale of the deferred ounces completed subsequent to quarter-end, the final settlement of that sale, and the expected impact of the sale on the Company's revenue, earnings, free cash flow, and Liquid Assets; the expected announcement and filing of an updated technical report for the Golden Queen mine, including the timing thereof;; anticipated purchases of common shares under the Company's normal course issuer bid; expectations regarding the Bolivian boliviano exchange rate, including the impact of the flexible exchange-rate regime adopted in June 2026; the expected outcome of the civil claims involving Silver Elephant Mining Corp.; the Company's intention to list its common shares on the NYSE, including the timing of and satisfaction of conditions to such listing, the expected commencement of trading of the Company's common shares on the NYSE in 2026, and the anticipated ticker symbol; the assessment of acquisition opportunities; the Company's production, cost, margin, and capital expenditure guidance for fiscal 2026; the Company's ability to obtain and maintain required licences, permits, required agreements with third parties and regulatory approvals; the Company's plans for growth through exploration activities, acquisitions or otherwise; expectations regarding future maintenance and capital expenditures, working capital requirements, the availability of financing and near-term cost efficiencies; expected trends in gold and silver prices and the factors that may influence such prices, including macroeconomic conditions, geopolitical risks, supply and demand dynamics, and market volatility. Such forward-looking statements are based on a number of material factors and assumptions, including, but not limited to: the Company's ability to carry on exploration and development activities; the Company's ability to secure and to meet obligations under property and option agreements and other material agreements; the timely receipt of required approvals and permits; that there is no material adverse change affecting the Company or its properties; the satisfaction of customary listing conditions imposed by the NYSE and all necessary regulatory approvals in connection with the listing; that contracted parties provide goods or services in a timely manner; that no unusual geological or technical problems occur; that plant and equipment function as anticipated and that there are no material adverse changes in gold and silver prices, foreign exchange rates, inflationary pressures (including diesel and energy costs), costs associated with production or recovery, or general economic conditions. Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause actual results, performance or achievements, or industry results, to differ materially from those anticipated in such forward-looking statements. The Company believes the expectations reflected in such forward-looking statements are reasonable, but no assurance can be given that these expectations will prove to be correct, and you are cautioned not to place undue reliance on forward-looking statements contained herein.

Some of the risks and other factors which could cause actual results to differ materially from those expressed in the forward-looking statements contained in this MD&A include, but are not limited to: risks and uncertainties relating to the interpretation of drill results, the geology, grade and continuity of mineral deposits and conclusions of economic evaluations; results of initial feasibility, pre-feasibility and feasibility studies, and the possibility that future exploration, development or mining results will not be consistent with the Company's expectations; risks relating to possible variations in reserves, resources, grade, planned mining dilution and ore loss, or recovery rates and changes in project parameters as plans continue to be refined; mining and development risks, including risks related to accidents, equipment breakdowns, labour disputes (including work stoppages and strikes) or other unanticipated difficulties with or interruptions in exploration and development; the potential for delays in exploration

or development activities or the completion of feasibility studies; risks related to the inherent uncertainty of production and cost estimates and the potential for unexpected costs and expenses; risks related to commodity price and foreign exchange rate fluctuations; the uncertainty of profitability based upon the cyclical nature of the industry in which the Company operates; risks related to failure to obtain adequate financing on a timely basis and on acceptable terms or delays in obtaining governmental or local community approvals or in the completion of development or construction activities; risks related to community or stakeholder opposition that may affect permitting, development or ongoing operations; risks related to cybersecurity threats, information technology systems disruptions, and data security breaches; risks related to acquisitions and the integration of acquired assets or businesses; risks related to environmental regulation and liability; political and regulatory risks associated with mining and exploration; risks related to the uncertain global economic environment; foreign operations and political risk; foreign operations, including emerging and developing market risk; political and economic risks associated with operations in Bolivia; failure to comply strictly with applicable laws, regulations and local practices, which may have a material adverse impact on the Company's operations or business; extensive laws, regulations and local practices governing health, safety, environment and communities that apply to the exploration and future development of the Company's property interests; changes to the tax regime in Bolivia without notice; financial risk arising from fluctuations in the exchange rates between the U.S. dollar and Canadian dollar; exposure to political, economic, security and other risks and uncertainties due to the location of the Company's material subsidiaries and mineral properties in foreign countries; negative impacts arising from governmental regulation; the risk of government expropriation resulting in the total loss of the Company's mineral property interests; and inadequate infrastructure, which may adversely affect the Company's operations and profitability; threat of tariffs; risks related to the timing and prices at which the finished inventory subject to the Company's sales deferral is ultimately sold, including the risk that such sales do not occur within the currently expected timeframe; risks related to the volatility of the Bolivian boliviano under the flexible exchange-rate regime; and other factors contained in the section entitled "Risk Factors" in this MD&A.

Although the Company has attempted to identify important factors that could cause actual results or events to differ materially from those described in the forward-looking statements, you are cautioned that this list is not exhaustive and there may be other factors that the Company has not identified. The forward-looking statements contained in this MD&A are made as of the date of this MD&A. Furthermore, the Company undertakes no obligation to update or revise any forward-looking statements included in, this MD&A if these beliefs, estimates and opinions or other circumstances should change, except as otherwise required by applicable law.

QUALIFIED PERSONS

The scientific and technical content disclosed in this MD&A was reviewed and approved by Donald J. Birak, Senior Consulting Geologist to the Company, a Qualified Person as defined by NI 43-101, Registered Member, Society for Mining, Metallurgy and Exploration (SME), Fellow, Australasian Institute of Mining and Metallurgy (AusIMM). Mr. Birak's experience in Bolivia and at San Bartolome commenced in 2004 with Coeur Mining Inc.

ENDNOTES

(1) Average realized gold price, average realized silver price, OCC, AISC, CGOM, GMR, Free Cash Flow, EBITDA, Adjusted EBITDA, Liquid Assets, and CAPEX are non-IFRS financial performance measures with no standardized definition under IFRS and may not be comparable to similar measures disclosed by other issuers. Refer to the "Non-IFRS Financial Measures, Ratios and Supplementary Financial Measures" section of this MD&A for further information, including a reconciliation of these measures to the Company's financial statements.

(2) Effective January 1, 2025, gold equivalent ounces are calculated by applying the ratio of the prevailing silver price to the prevailing gold price to silver ounces produced or sold in the applicable period. For 2025, the Company applied a conversion factor of 90. For 2026, the Company has updated its conversion factor to 85, reflecting current market price assumptions. This change has been applied on a prospective basis.

(3) Effective Q3 2025, the Company revised its methodology for reporting CAPEX to a cash flow basis, consistent with expenditures on property, plant and equipment as reported in the statement of cash flows. This change aligns the Company's CAPEX reporting with industry practice and peer disclosure and has been applied retrospectively to all prior-period comparative figures.

(4) Effective January 1, 2026, the Company has revised its methodology for calculating mine site operating income, OCC, AISC, and CGOM on a retrospective basis to exclude the allocation of corporate general and administrative expenses from these metrics. Management believes this change better reflects the operating cost performance of each mine site on a standalone basis and improves comparability with industry peers. Prior period figures have been restated to conform with the current presentation. In addition, the Company now separately discloses a consolidated OCC and AISC metric that includes corporate G&A costs, providing investors with a consolidated view of the Company's cost structure on a per-ounce basis. Readers are encouraged to refer to both the site-level and consolidated metrics when evaluating the Company's overall cost performance. See the "Non-GAAP Financial Measures" section of this MD&A for further detail on the calculation and reconciliation of these metrics.

(5) In 2025, the Company's revolving line of credit represented a back-to-back facility secured by, and linked to, the Company's cash and investments. As a result, in periods where amounts were drawn, the outstanding balance was deducted from Liquid Assets in the reconciliation, as the facility did not represent incremental liquidity available to the Company (Q1 2025: Liquid Assets of $75.7 million after deduction of the $22.6 million outstanding balance). Beginning in 2026, the Company's Revolving Credit Facility operates on a standalone basis, unlinked to any cash or investment balances. Accordingly, no deduction has been applied, and the full value of the components presented in the reconciliation above is reflected in the Liquid Assets measure.

(6) Effective Q2 2026, the Company revised the composition of its Liquid Assets non-GAAP measure to include metal held at third-party refineries and doré inventory, as reported in the Company's Financial Statements and the notes thereto. These inventories are measured at cost and are readily convertible into cash, and management believes their inclusion provides a more complete measure of the liquid resources available to the Company, including the finished inventory subject to the Company's strategic sales deferral. As this inventory is measured at cost, the Liquid Assets measure does not reflect the margin expected to be realized upon the eventual sale of this inventory. This change has been applied on a retrospective basis.