



**COLLECTIVE**  
— MINING —

# **MANAGEMENT’S DISCUSSION AND ANALYSIS of Results of Operation and Financial Condition For three and six months ended June 30, 2025**

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The following management discussion and analysis (“MD&A”) of the consolidated operations and financial position of Collective Mining Ltd. and its subsidiaries (“CML” or the “Company”) for the three months ended June 30, 2025 should be read in conjunction with the Company’s interim condensed consolidated financial statements (unaudited) (“Interim Consolidated Financial Statements”) and related notes for the three months ended June 30, 2025, which have been prepared in accordance with International Financial Reporting Standards and International Accounting Standards as issued by the International Accounting Standards Board (IASB) and Interpretations (collectively IFRS Accounting Standards), applicable to the preparation of interim consolidated financial statements, including International Accounting Standard (“IAS”) 34, Interim Financial Reporting (“IAS 34”). Management is responsible for the preparation of the consolidated financial statements and other financial information relating to the Company included in this report. The information included in this MD&A is as of August 12<sup>th</sup>, 2025, the date when the Audit Committee, on behalf of the Board of Directors, approved the Company’s Interim Consolidated Financial Statements for the three months ended June 30, 2025. All monetary amounts included in this report are expressed in United States (“U.S.”) dollars (“\$”), the Company’s reporting and functional currency, unless otherwise noted. References to C\$ and COP are to Canadian dollars and Colombian pesos, respectively. This MD&A contains forward-looking information and should be read in conjunction with the risk factors described in the “Caution Regarding Forward-Looking Information” section.

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## DESCRIPTION OF BUSINESS

Collective Mining Ltd. (“CML”) and its subsidiaries (collectively referred to as the “Company”) are principally engaged in the acquisition, exploration and development of mineral properties located in Colombia. The Company principally carries on business through an Ontario corporation and a foreign company branch office in Colombia.

The Company’s common shares began trading on the Toronto Stock Venture Exchange (the “TSXV”) on May 20, 2021, under the symbol “CNL”. On July 18, 2022, the Company’s shares began trading on the OTCQX® Best Market under the symbol “CNLMF”. Effective September 6, 2023, CML’s common shares were voluntarily delisted from the TSXV and began trading on the Toronto Stock Exchange (“TSX”) under their current stock symbol “CNL”. Additionally, in 2023, the Company was listed on the Frankfurt Stock Exchange (the FSE) under the symbol “GG1”. On July 17, 2024, CML’s common shares were voluntarily delisted from the OTCQX® Best Market and began trading on the NYSE American LLC under the symbol “CNL”.

The registered office for CML is located at 82 Richmond St E 4th Floor Toronto, Ontario, Canada.

CML and its subsidiaries (collectively referred to as the “Company”) is an early-stage exploration company and is principally engaged in the acquisition, exploration and development of mineral properties located in Colombia.

The Company currently holds mining titles, mining applications and option agreements to explore and acquire two exploration projects in Colombia, South America; the Guayabales Project and the San Antonio Project.

## 2025 SUMMARY AND HIGHLIGHTS

### Q2 2025 Business Highlights

- On April 2, 2025, the Company announced an expanded 70,000 metres drill program following the successful completion of its recent financing for C\$63.4 million.
- On April 21, 2025, the Company announced the appointment of Ned Jalil as Chief Executive Officer.
- On June 9, 2025, the Company announced the appointment of Raphael Maracajá as Vice President Mining.
- On June 23, 2025, the Company has exercised their option to acquire the mining concession contract. As a result, the Company and the optionor executed an addendum to the original agreement pertaining to the first Guayabales option (See Note 7(a)(i)) which accelerates the terms of the original agreement. The payment schedule has been accelerated as follows: \$2 million payable on signing or shortly thereafter; an additional \$2 million is payable within one month provided the mining concession contract transfer request to the Colombian National Mining Agency (“ANM”) has been filed; an additional \$2.3 million is payable within two months following the submission of the mining concession contract transfer request; and the remaining \$3.5 million will be payable in six equal instalments over the following three years from the date of the execution of the amendment to the agreement. The transfer is expected to be completed within 60 days following the request being made to the ANM.

Subsequent to quarter end:

- On July 24, 2025, the Company announced the release of its 2024 Sustainability Report.

### Q2 2025 Exploration Highlights

#### Guayabales Project

- During the quarter, the Company continued its drilling campaign with up to 7 rigs drilling at the Guayabales Project.

- The Company continued to announce assay results that continues to define and discover new high-grade subzones as well as outline and expand the shallow portion of the Apollo system.
- The Company also continue to drill test newly generated targets within the Guayabales Project.

#### San Antonio Project

- During the quarter, the Company continue its drilling campaign at the San Antonio Project with up to 2 rigs.

#### **Q2 2025 Operating and Financial Results (three and six months ended June 30, 2025)**

- Results for the three and six months ended June 30, 2025 was a net loss of \$8.5 million (\$0.11 per share) and \$25.4 million (\$0.31 per share), respectively (three and six months ended June 30, 2024 – \$6.3 million (\$0.09 per share) and \$11 million (\$0.17 per share), respectively).
- Exploration expense for the three and six months ended June 30, 2025 was \$7.4 million and \$12.3 million, respectively (three and six months ended June 30, 2024 – \$5.2 million and \$9 million, respectively), including \$4.1 million and \$6.5 million, respectively (three and six months \$5.1 million and \$8.8 million, respectively) relating to the Guayabales Project and \$0.7 million and \$1 million respectively (three and six months ended June 30, 2024 – \$0.1 million and \$0.15 million, respectively), relating to the San Antonio Project.
- Operating cash outflow for the three and six months ended June 30, 2025 was \$7.6 million and \$13 million, respectively (three and six months ended June 30, 2024 – \$6.6 million and \$10.6 million, respectively).
- Net financing cash inflow for the three and six months ended June 30, 2025 was \$0.1 million and \$44.3 million (three and six months ended June 30, 2024 – \$4.3 million and \$18 million, respectively)
- Cash and cash equivalents at June 30, 2025 was \$70.6 million (December 31, 2024 – \$38.9 million)

#### **BUSINESS TRANSACTION**

##### ***2025 Non-Brokered Private Placement (the “March 2025 Private Placement”)***

On March 20, 2025, the Company completed a non-brokered private placement with a strategic investor for a total of C\$52.2 million (\$36.4 million) which consisted of the sale of 4,741,984 shares at a price of C\$11.00 per share.

Concurrently with the closing of the March 2025 Private Placement, Agnico Eagle exercised all of the common share purchase warrants of the Company (each, a “Warrant”) it held to acquire an additional 2,250,000 Shares at a price of C\$5.01 per Share for aggregate consideration of C\$11.3 million (\$7.9 million).

##### ***2024 Bought Deal Offering (the “October 2024 Offering”)***

On October 31, 2024, the Company closed the October 2024 Offering for a total of C\$40.3 million (\$28.9 million) which consisted of the sale of 8,050,000 shares at a price of C\$5.00 per share.

##### ***2024 Non-Brokered Private Placement (the “October 2024 Private Placement”)***

On October 31, 2024, the Company completed a non-brokered private placement with a strategic investor for a total of C\$6.1 million (\$4.4 million) which consisted of the sale of 1,226,235 shares at a price of C\$5.00 per share to top-up its ownership interest in the Company.

##### ***2024 Non-Brokered Private Placement (the “March 2024 Offering”)***

On March 4, 2024, the Company closed the March 2024 Offering for a total of C\$18.9 million (\$13.9 million) which consisted of the sale of 4,500,000 units at a price of C\$4.20 per unit.

Each Unit consisted of one common share of CML and one-half share purchase warrant of CML (each whole warrant, a “Subscription Warrant”). Each Subscription Warrant has an exercise price of C\$5.01 with an expiry date on March 4, 2027.

### **2023 Bought Deal Offering (the “March 2023 Offering”)**

On March 22, 2023, the Company closed the March 2023 Offering for a total of C\$30.6 million (\$21.9 million) by a syndicate of underwriters, which consisted of the sale of 7,060,000 shares at a price of C\$4.25 per share.

### **2022 Bought Deal Offering (the “October 2022 Offering”)**

On October 25, 2022, the Company closed the October 2022 Offering of C\$10.8 million (\$7.9 million), conducted by a syndicate of underwriters, and consisted of the sale of 4,783,400 Units at a price of C\$2.25 per Unit.

Each Unit consisted of one common share of CML and one-half share purchase warrant of CML (each whole warrant, a “Subscription Warrant”). Each Subscription Warrant has an exercise price of C\$3.25 with an expiry date on April 25, 2024. As at April 25, 2024, all of the warrants were exercised.

## **EXPLORATION SUMMARY**

The following is a summary of exploration expenditures incurred for the three and six months ended June 30, 2025 and 2024:

For the three months ended June 30	2025			2024
	San Antonio	Guayabales	Total	Total
	\$	\$	\$	\$
Drilling services	351,897	2,635,319	2,987,216	1,810,835
Salaries and benefits	137,638	621,266	758,904	621,978
Option payments and fees	47,410	873,721	921,131	937,604
Assaying	96,360	613,018	709,378	533,493
Field costs, surveys and other	103,881	453,658	557,539	459,192
Transportation and meals	117,374	319,436	436,810	258,746
Consulting, professional fees and technical assistance	50,973	259,306	310,279	226,622
Community expenses	41,522	188,892	230,414	111,596
Geophysics	29,050	144,185	173,235	62,466
Studies and technical evaluation	–	87,987	87,987	–
Security	16,614	74,990	91,604	86,617
Depreciation and amortization	30,522	138,094	168,616	72,102
	1,023,241	6,409,872	7,433,113	5,181,251

For the six months ended June 30	2025			2024
	San Antonio	Guayabales	Total	Total
	\$	\$	\$	\$
Drilling services	657,501	4,584,193	5,241,694	3,040,470
Salaries and benefits	229,569	1,237,579	1,467,148	1,105,431
Option payments and fees	81,010	1,198,199	1,279,209	1,223,463
Assaying	165,707	899,674	1,065,381	1,030,001
Field costs, surveys and other	166,806	788,208	955,014	864,725
Consulting, professional fees and technical assistance	92,583	396,602	489,185	447,492
Transportation and meals	149,739	491,699	641,438	490,036
Community expenses	57,763	288,182	345,945	148,811
Geophysics	29,613	155,359	184,972	349,269
Studies and technical evaluation	–	87,987	87,987	–
Security	33,216	148,311	181,527	182,197
Depreciation and amortization	56,408	295,974	352,382	137,877
	1,719,915	10,571,967	12,291,882	9,019,771

### **Guayabales Project**

The Guayabales Project consists of exploration titles, exploration applications and two option agreements and a number of surface rights option agreements. The Guayabales Project is located in the Middle Cauca belt in the Department of Caldas, Colombia.

The Company entered into two option agreements (the “First Guayabales Option” and the “Second Guayabales Option”) with third parties to explore, develop and acquire exploration property within the Guayabales Project.

In October 2023 and May 2024, the Company secured option agreements to purchase surface rights.

On June 23, 2025, the Company accelerated the agreement of the First Guayabales Option with the vendor of the Guayabales mining concession and as a result will affect the transfer of 100% of the mining license into its name and as a result the Company no longer has the option to terminate the agreement. The transfer is expected to be completed within the third quarter of 2025.

#### Exploration activities:

During the quarter, the Company continued with its drilling campaign at the Guayabales Project. Drilling continued to define, expand and find new high-grade subzones as well as define the shallow portion of the Apollo system. In addition, the Company continued drilling newly defined targets at the Guayabales Project.

For the three and six months ended June 30, 2025, the Company recognized a total of \$4.1 million and \$6.5 million, respectively (three and six months ended June 30, 2024 – \$5.1 million and \$8.9 million, respectively) as exploration and evaluation expense in the consolidated statement of operations and comprehensive loss in respect of the Guayabales Project, including option payments of \$0.47 million and \$0.75 million, respectively (three and six months ended June 30, 2024 – \$0.8 million).

#### Option agreements:

Details of the two first option agreements are as follows:

##### ***First Guayabales Option***

On June 24, 2020, the Company entered into the First Guayabales Option to acquire 100 percent of the property covered within the agreement. The terms of the agreement are as follows:

##### Phase 1:

The Company must incur a minimum of \$3 million of exploration and evaluation expenditures in respect of property within the First Guayabales Option and make total option payments of \$2 million over a maximum four-year term ending on or before June 24, 2024 in order to proceed to Phase 2 of the agreement. The Company has met its commitments under Phase 1 of the agreement.

##### Phase 2:

To acquire a 90% interest in the property within the First Guayabales Option, the Company must incur a minimum of \$10 million of incremental exploration and evaluation expenditures in respect of such property and make total option payments of \$2 million, payable in equal instalments of \$0.2 million semi-annually over a maximum six-year term, commencing after the end of Phase 1.

##### Phase 3:

To acquire the remaining 10% interest in the property within the First Guayabales Option, the Company has the following options:

- provide notice that the Company has elected to pay a 1% NSR monthly, commencing on the first calendar day of the month after 85% of the processing plant capacity has been achieved, in exchange for the remaining 10% interest;
- acquire 0.625% each year to a total of 10% by paying \$0.25 million semi-annually, commencing at the end of Phase 2, to a total of \$8 million in lieu of the NSR; or
- pay a one-time payment of \$8 million in lieu of the NSR.

In addition, the Company is required to fund and complete all development and construction activities to bring the project to commercial production.

## Summary:

The following is a summary of the option payments and exploration expenditures required to acquire 100% of the property under the First Guayabales Option:

		Option Payments	Exploration Expenditures	Total
Total Phase 1	June 24, 2020 – June 24, 2024	\$ 2,000,000	\$ 3,000,000	\$ 5,000,000
Total Phase 2	June 24, 2024 – June 24, 2030	2,000,000	10,000,000	12,000,000
Total Phase 3	To commercial production	8,000,000 <sup>1</sup>	–	8,000,000
		12,000,000	13,000,000	25,000,000

<sup>1</sup> Based on the assumption that the Company does not elect to pay the NSR.

The Company had the option to terminate the agreement at any time, upon notification to the optionor.

On June 23, 2025, the Company has exercised their option to acquire the mining concession contract. As a result, the Company and the optionor executed an addendum to the original agreement pertaining to the first Guayabales option (See Note 7(a)(i)) which accelerates the terms of the original agreement. Consequently, the Company has expedited the timeline for obtaining full ownership of the mining concession contract and no longer has the option to terminate the agreement.

- Under the terms of the addendum, the total financial consideration owed to the vendor remains the same as the original agreement, however, the payment schedule has been accelerated as follows:
- \$2,000,000 payable upon signing of the amendment or shortly thereafter;
- an additional \$2,000,000 is payable within one month provided the mining concession contract transfer request to the Colombian National Mining Agency (“ANM”) has been filed;
- an additional \$2,300,000 is payable within two months following the submission of the mining concession contract transfer request; and
- the remaining \$3,533,334 is payable in six equal installments over the following three years from the date of the execution of the addendum to the agreement.

While the cost associated with the acquisition of the Guayabales mining concession contract has been capitalized as an exploration and evaluation asset, the Company continues to expense other exploration and evaluation expenditures as incurred. These include costs related to exploratory drilling, sampling, surveying, equipment rentals, and similar field-based activities, which do not meet the criteria for capitalization under the Company’s accounting policy.

For the three and six months ended June 30, 2025, the Company recognized a total of \$6.3 million and \$9.4 million, respectively (three and six months ended June 30, 2024 – \$2.8 million and \$4.5 million, respectively) as exploration and evaluation expense in the consolidated statement of operations in respect of the First Guayabales Option, including option payments of \$nil (three and six months ended June 30, 2024 – \$nil million and \$0.25 million, respectively).

As at June 30, 2025, and from inception of the agreement, the Company has completed and recognized a total of \$40.9 million as exploration and evaluation expenditures in respect of the minimum expenditures required under the Option agreement and has made total option payments of \$2.2 million required within the original agreement.

## ***Second Guayabales Option***

On January 4, 2021, the Company entered into the Second Guayabales Option. The terms of the agreement are as follows:

**Phase 1:**

The option agreement provides the Company the right to explore the property within the Second Guayabales Option over a four-year term, expiring on January 2, 2025, for total payments over the term of the agreement of \$1.75 million. The Company has met its commitments under Phase 1 of the agreement.

**Phase 2:**

The option agreement provides the Company the right to explore the property within the Second Guayabales Option over a second four-year term between January 2, 2025 to January 2, 2029 for total payments over the term of \$1 million.

**Phase 3:**

Upon completion of Phase 2, the Company is required to pay a total of \$4.3 million over a two-year period ending on January 2, 2030 to acquire 100 percent of the property within the Second Guayabales Option.

The exploration and development program for the Second Guayabales Option, including the amount of expenditures, is at the sole discretion of the Company during the term of the agreement.

**Summary:**

The following is a summary of the option payments to acquire the property under the Second Guayabales Option:

Total Phase 1	\$ 1,750,000
Total Phase 2	1,000,000
Total Phase 3	4,300,000
	<u>7,050,000</u>

The Company may terminate the agreement at any time, upon notification to the optionor.

For the three and six months ended June 30, 2025, the Company has recognized \$nil and \$0.25 million, respectively (three and six months ended June 30, 2024 – \$1.2 million and \$1.6 million, respectively), including option payments of \$nil and \$0.25, respectively (three and six months ended June 30, 2024 – \$nil and \$0.25, respectively), as exploration and evaluation expense in the consolidated statement of operations and comprehensive loss in respect of Phase I of the Second Guayabales Option.

As at June 30, 2025, and from inception of the agreement, the Company has made total option payments of \$1.75 million.

***Surface Rights Agreements***

The Company has secured surface rights agreements that encompass the Apollo system with details as follows:

**October 2023**

On October 17, 2023, the Company entered into two option agreements with third parties to acquire surface rights over a four-year period. These option agreements replace and supersede the previous option agreements to acquire surface rights. The option agreements provide the Company the right to explore and acquire the property over a four-year term, expiring on April 30, 2027, for total payments over the term of the agreements of \$4.4 million.

The Company may terminate the agreement at any time, upon notification to the optionor.

For the three and six months ended June 30, 2025, the Company has recognized option payments of \$0.45 million (three and six months ended June 30, 2024 – \$nil and \$0.4 million, respectively), as exploration and evaluation expense in the consolidated statement of operations.

As at June 30, 2025, and from inception of the agreement, the Company has made total option payments of \$1.9 million.

### **May 2024**

On May 23, 2024, the Company entered into three option agreements with third parties to acquire surface rights. The option agreements provide the Company the right to explore and acquire the property. One agreement concludes on April 23, 2025, one agreement concludes on August 23, 2025, and the other one concludes on September 23, 2027. Upon conclusion of each agreement, the Company becomes the owner of the mentioned surface rights. Total payments over the term of the three agreements is \$0.3 million.

The Company has the option to terminate the agreement at any time, upon notification to the optionor.

For the three and six months ended June 30, 2025, the Company has recognized option payments of \$0.02 million and \$0.025 million, respectively (three and six months ended June 30, 2024 – \$nil and \$0.16 million, respectively), as exploration and evaluation expense in the consolidated statement of operations and comprehensive loss.

As at June 30, 2025, and from inception of the agreement, the Company has made total option payments of \$0.26 million.

### **San Antonio Project**

On July 9, 2020, the Company entered into an option agreement with a third party to acquire the San Antonio Project. The San Antonio Project is located approximately 80km south of Medellín and is situated in the Middle Cauca belt in the Department of Caldas, Colombia.

The option agreement provides the Company the right to explore, develop and acquire 100 percent of the property over a seven-year term, expiring on July 9, 2027, for total payments over the term of the agreement of \$2.5 million. The Company has the option to pay an additional \$2.5 million to the optionor upon reaching commercial production in exchange for the 1.5% NSR.

Option payments under the agreement are as follows:

	\$
August 8, 2020	30,000
July 9, 2021	50,000
July 9, 2022	100,000
July 9, 2023	150,000
July 9, 2024	250,000
July 9, 2025	420,000
July 9, 2026	750,000
July 9, 2027	750,000
	2,500,000
Upon reaching commercial production	2,500,000
	5,000,000

The Company may terminate the agreement at any time, upon notification to the optionor. In addition, the Company may acquire 100 percent of the property at any time prior to the expiration of the agreement by paying all remaining amounts under the agreement.

The exploration and development program, including the amount of expenditures, is at the sole discretion of the Company during the term of the agreement.

### **Exploration activities:**

During 2021, the Company initiated a maiden 5,000-meter drill program on the San Antonio Project. The aim of the program was to initially determine the near surface geometry of three targets and

once defined, begin testing the potential for multiple, concealed, mineralized porphyry and breccia bodies within an area measuring approximately 2 kilometers x 1 kilometers ("km"). Surface work in this area had outlined anomalous gold and molybdenum soil values in association with altered porphyry intrusive bodies, porphyry-related stockwork quartz veining, hydrothermal breccias and polymetallic veins. To date, the Company has made a significant grassroots discovery at the Pound target, one of the three targets generated at the San Antonio Project.

In the year 2022, the Company conducted an IP survey to further delineate the drill targets and in 2023 and in the first nine months of 2024, the Company conducted reconnaissance field work to further delineate targets for follow up drilling.

On January 27, 2025, the Company announced the re-commencement of drilling works at the San Antonio Project.

For the three and six months ended June 30, 2025, the Company recognized a total of \$0.7 million and \$1.7 million, respectively (three and six months ended June 30, 2024 – \$0.1 million and \$0.15 million, respectively) as exploration and evaluation expense in the consolidated statement of operations and comprehensive loss in respect of the San Antonio Project.

As at June 30, 2025, and from inception of the agreement, the Company has made total option payments of \$0.58 million.

## SELECTED CONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION

The Company's presentation and functional currency are U.S. dollars.

As at	June 30, 2025 (Unaudited)	December 31, 2024 (Audited)
	\$	\$
Consolidated Financial Position		
Cash and cash equivalents	70,581,382	38,930,957
Total assets	86,112,562	42,556,391
Non-current liabilities	2,826,720	72,732
Working capital <sup>1</sup>	59,225,719	37,302,233
Equity	70,947,744	37,008,166

<sup>1</sup> Working capital is a non-GAAP measure and represent current assets less current liabilities, excluding warrants liability.

	Three months ended June 30 (Unaudited)		Six months ended June 30 (Unaudited)	
	2025	2024	2025	2024
	\$	\$	\$	\$
<b>Consolidated Operating Results</b>				
Exploration and evaluation expenses	(7,433,113)	(5,181,251)	(12,291,882)	(9,019,771)
Gain (Loss) on revaluation of warrants liability	–	94,691	(10,564,474)	466,205
Net loss and comprehensive loss	(8,518,993)	(6,331,921)	(25,446,926)	(11,057,158)
Basic and diluted loss per common share	(0.11)	(0.09)	(0.31)	(0.17)
<b>Consolidated Cash Flow</b>				
Operating cash outflow	(7,587,373)	(6,629,658)	(13,015,016)	(10,597,286)
Financing cash inflow	(141,798)	4,265,822	44,266,124	18,041,924
Net cash inflow (outflow), including foreign exchange effect on cash balances	(7,444,822)	(2,600,378)	31,650,425	6,969,315

## OVERVIEW OF CONSOLIDATED CONDENSED INTERIM FINANCIAL RESULTS

The Company's results for three and six months ended June 30, 2025 was a net loss of \$8.5 million (\$0.11 per share) and \$25.5 million (\$0.31 per share), respectively (three and six months ended June 30, 2024 – \$6.3 million (\$0.09 per share) and \$11 million (\$0.17 per share), respectively) is mainly a result of the following:

- Exploration expenditures for the three and six months ended June 30, 2025 was \$7.4 million and

\$12.3 million (three and six months ended June 30, 2024 – \$5.2 million and \$9 million, respectively), including option payments totalling \$0.47 million and \$0.75 million, respectively (three and six months ended June 30, 2024 – \$0.8 million and \$1.1 million, respectively).

- General and administrative expense for the three and six months ended June 30, 2025 was \$2.2 million and \$4.1 million, respectively (three and six months ended June 30, 2024 – \$1.2 million and \$2.4 million, respectively), including:
  - Compensation costs related to share-based payments for the three and six months ended June 30, 2025 of \$0.72 million and \$1.1 million, respectively (three and six months ended June 30, 2024 – \$0.3 million and \$0.7 million, respectively).
  - Share-based payments include 900,000 options granted during the six months ended June 30, 2025 (six months ended June 30, 2024 – nil options) with average share price on grant date of C\$13.54 per share.

## SUMMARY OF CONSOLIDATED QUARTERLY RESULTS

The following table sets forth selected consolidated unaudited financial information, prepared in accordance with IFRS, for each of the Company's eight most recently completed quarters.

	Q2 2025	Q1 2025	Q4 2024	Q3 2024	Q2 2024	Q1 2024	Q4 2023	Q3 2023
	\$	\$	\$	\$	\$	\$	\$	\$
Net income (loss)	(8,518,993)	(16,927,932)	(9,591,266)	(6,300,500)	(6,331,921)	(4,725,236)	(5,313,309)	(3,749,128)
Basic and diluted income (loss) per share	(0.11)	(0.22)	(0.13)	(0.09)	(0.09)	(0.07)	(0.09)	(0.06)

As the Company is currently in the exploration stage, variations in the quarterly results are mainly due to the exploration activities, the impact of fluctuation of exchange rates on cash balances and the revaluation of derivative instruments.

## LIQUIDITY AND MANAGEMENT OF CAPITAL RESOURCES

The Company has no operating cash flow from a producing mine and therefore must utilize its current cash reserves and funds obtained from equity financing transactions (see "Business Transaction" in this MD&A) to fund its operating and exploration activities, including payments subject to exploration option agreements (see "Exploration Summary" in this MD&A).

The Company's objectives in managing capital are to ensure the entity continues as a going concern and to achieve optimal returns for its stakeholders. In addition, the Company will continue to assess new properties and seek to acquire an interest in additional properties if it believes there is sufficient potential, if they fit within the Company's overall strategic plan and if the Company has sufficient financial resources to do so. Management considers future capital requirements to sustain the future operation of the business, including current and new exploration program requirements, and assesses market conditions to determine when adjustments to the capital structure are appropriate.

As at June 30, 2025, the Company raised \$44.7 million from the Closing of the March 2025 Private Placement, (see "Business Transaction" in this MD&A) and \$8.4 million from the exercise of warrants and options.

As at June 30, 2025, the Company's cash and working capital position (current assets less current liabilities, excluding warrants liability ("Working Capital")) was \$70.6 million and \$59.2 million, respectively (December 31, 2024 – \$38.9 million and \$37.3 million, respectively). The Company will utilize its working capital towards general operating activities and the advancement of its exploration programs, including its obligations under its exploration option agreements (see "Exploration Summary" in this MD&A).

### Cash Flow Items

The following is a summary of the Company's cash flows for the six months ended June 30, 2025 and 2024:

	Three months ended June 30		Six months ended June 30	
	2025	2024	2025	2024
	\$	\$	\$	\$
Operating activities	(7,587,373)	(6,629,658)	(13,015,016)	(10,597,286)
Financing activities	(141,798)	4,265,822	44,266,124	18,041,924
Investing activities	(104,749)	(34,406)	(132,079)	(66,649)
	(7,833,920)	(2,398,242)	31,119,029	7,377,989
Foreign exchange on cash	389,098	(202,136)	531,396	(408,674)
<b>Net change in cash balance</b>	<b>(7,444,822)</b>	<b>(2,600,378)</b>	<b>31,650,425</b>	<b>6,969,315</b>

### **Operating Activities**

Operating cash outflow for the three and six months ended June 30, 2025 was \$7.6 million and \$13 million, respectively, compared to the \$6.6 million and \$10.6 million, respectively, for the comparative periods in 2024.

### **Financing Activities**

Net cash inflow from financing activities for the three and six months ended June 30, 2025 was \$0.1 million and \$44.3 million, compared to the net cash inflow of \$4.3 million and \$18 million, for the comparative periods in 2024. The variance is due to the closing of the March 2025 Private Placement and cash proceeds from the exercise of warrants and options.

### **Investing Activities**

Cash outflow for investing activities for the three and six months ended June 30, 2025 was \$0.1 million and \$0.13 million, respectively, compared to \$0.03 million and \$0.07 million, respectively, for the comparative periods in 2024 and relate to the acquisition of fixed assets.

## **EQUITY AND WARRANTS**

### **Fully Diluted Shares**

	June 30, 2025	December 31, 2024
As at		
Shares issued	84,854,026	77,602,208
Stock options outstanding	5,024,966	4,434,800
Warrants	—	2,250,000
	<b>89,878,992</b>	<b>84,287,008</b>

### **Share Capital**

As at June 30, 2025, a total of 4,741,984 shares were issued as a result of the closing of the March 2025 Private Placement, 259,834 shares were issued as a result of the exercise of options and 2,250,000 shares were issued as a result of the exercise of warrants.

Total proceeds raised in 2025 was \$36.4 million (C\$52.2 million) from the March 2025 Private Placement.

### **Warrants**

On May 4, 2024, following the completion of the March 2024 Offering, 2,250,000 Subscription Warrants were issued. The fair value of the warrant's liability in respect of the Subscription Warrants was \$1.19 million. The fair value of the warrants was determined using the Binomial pricing model. See also the "Business Transaction" section of this MD&A.

Subscription Warrants are classified as warrants liability on the consolidated statement of financial position and measured at fair value until the instruments are exercised or extinguished in the consolidated financial statements. Any gain or loss arising from the revaluation of a Subscription Warrant on the date of exercise or on the financial reporting date is recognized in the consolidated

statement of operations and comprehensive loss.

For the three and six months ended June 30, 2025, the Company recognized a derivative loss of \$nil and \$10.6 million, respectively (three months ended June 30, 2024 – \$0.1 million (derivative gain) and \$0.5 million (derivative gain), respectively), in respect of the revaluation of warrants classified within warrants liability.

On March 20, 2025, following the completion of the October 2022 Offering, 2,391,700 Subscription Warrants were issued. The issue date fair value of the warrant's liability in respect of the Subscription Warrants was \$0.97 million. The fair value of the warrants was determined using the Black-Scholes pricing model. See also the "Business Transaction" section of this MD&A.

On March 20, 2025, a total of 2,250,000 Warrants of the March 2024 Offering were exercised for total proceeds of \$7.9 million (C\$11.3 million).

## Options

As at June 30, 2025, 5,024,966 (December 31, 2024 – 4,434,800) stock options were outstanding at an average exercise price of C\$5.82 (December 31, 2024 – C\$4.07), of which 2,504,965 (December 31, 2024 – 2,676,049) were exercisable. The exercise in full of the outstanding stock options as at June 30, 2025 would raise a total of approximately C\$29.3 million. Options expire between 2026 and 2030. Management does not know when and how much will be collected from the exercise of such securities as this is dependent on the determination of the option holders and the market price of the Common Shares.

## Outstanding Equity Data

As of August 12<sup>th</sup>, 2025, the Company had 84,854,026 Common Shares, and a total of 5,024,966 stock options outstanding to purchase Common Shares.

## TRENDS AND RISKS THAT AFFECT THE COMPANY'S FINANCIAL CONDITION

Please see the "Market Trends" and "Risks and Uncertainties" sections of this MD&A for information regarding known trends, demands, commitments, events or uncertainties that are reasonably likely to have an effect on the Company's business and industry and economic factors affecting the Company's performance.

## CONTRACTUAL OBLIGATIONS, COMMITMENTS AND OPTION AGREEMENTS

### Contractual Obligations and Commitments

As at June 30, 2025, the Company had the following contractual commitments and obligations:

	Total	Less than 1 Year	2 – 5Years	After 5 Years
	\$	\$	\$	\$
Service contracts <sup>1</sup>	3,516,520	3,516,520	–	–
Other lease commitments <sup>2</sup>	1,342,295	631,928	710,367	–
	<b>4,858,815</b>	<b>4,148,448</b>	<b>710,367</b>	<b>–</b>

1. Represents drilling contracts.

2. Represents contractual lease payments payable over future periods.

### Option Agreements

The Company has the option to terminate its option agreements at any time without any financial consequences. Future expenditures are therefore dependent on the success of exploration and development programs and a decision by management to continue or exercise its option(s) for the relevant project and agreement.

As at June 30, 2025, the timing of expenditures, including option payments, under the Company's option agreements are as follows:

	Total	Less than 1 Year	2 – 3 Years	4 – 5 Years	Greater than 5 Years
	\$	\$	\$	\$	\$
Second Guayabales Option	5,300,000	250,000	500,000	2,400,000	2,150,000
San Antonio Option <sup>1</sup>	4,420,000	420,000	1,500,000	–	2,500,000
Other Option agreements <sup>2</sup>	2,568,329	999,900	1,568,429	–	–
	<b>12,288,329</b>	<b>1,669,900</b>	<b>3,568,429</b>	<b>2,400,000</b>	<b>4,650,000</b>

1. Includes a one-time payment of \$2,500,000 in lieu of the NSR.

2. Amount disclosed related to the option agreements to purchase surface rights.

## RELATED PARTY TRANSACTIONS

As at June 30, 2025 and December 31, 2024, there were no related party balances.

## FINANCIAL INSTRUMENTS AND RELATED RISKS

All financial instruments are required to be measured at fair value on initial recognition. The fair value is based on quoted market prices unless the financial instruments are not traded in an active market. In this case, the fair value is determined by using valuation techniques like discounted cash flows, the Black-Scholes option pricing model, Binomial pricing model, or other valuation techniques. Measurement in subsequent periods depends on the classification of the financial instrument. A description of financial instruments and their fair value is included in the audited consolidated financial statements for the year ended December 31, 2024.

## OFF-BALANCE SHEET ARRANGEMENTS

As of the date of this MD&A, 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.

## MARKET TRENDS

### Global Financial Market Conditions

Events and conditions in the global financial markets, particularly over the last two years, continue to impact gold prices, commodity prices, interest rates and currency rates. These conditions, as well as market volatility, may have a positive or negative impact on the Company's operating costs, project exploration expenditures and planning of the Company's projects.

### Gold Market

The Company's economic assessment of its gold projects is impacted by the market-driven gold price. The gold market is affected by inflation, continued sovereign debt risks, elevated geo-political risks, mine production and substantial above-ground reserves that can affect the price should a portion of these reserves be brought to market.

While many factors impact the valuation of gold, traditionally the key factors are actual and expected U.S. dollar value, global inflation rates, oil prices and interest rates.

The gold price has displayed considerable volatility in the last few years. Continued uncertainties in major markets, specifically in the U.S. and European countries, and increased trade tensions between the U.S. and China and heightened geo-political risks in Europe were the main driving forces in the demand and volatility for gold. The daily closing spot gold price during the six months ended June 30, 2025 was between \$2,633 and \$3,435 per ounce, for an average price in 2025 of \$3,066 per ounce.

## Currency

The Company's functional and reporting currency is the U.S. dollar. The key currencies to which the Company is exposed are the Canadian dollar and the Colombian peso, which have experienced greater volatility relative to the U.S. dollar over the last several years. Fluctuation of the Canadian dollar against the U.S. dollar has a direct impact on the Company as proceeds from equity financing are in Canadian dollars. At times, the Company has mitigated the impact by converting a significant portion of proceeds received from the offerings to U.S. dollars and Colombian pesos. Fluctuation of the Colombian peso has a direct impact on the Company's exploration and operating activities.

The Company expects to have significant U.S. dollar and Colombian peso requirements, mainly in relation to exploration activities, salaries and exploration option payments.

As at June 30, 2025, the Company held \$70.6 million in cash, of which \$63.6 million was in U.S. dollars, \$4.1 million was in Canadian dollars, and \$2.9 million was in Colombian pesos. Purchases of additional Colombian pesos will be required to meet the Company's obligations in local jurisdictions.

As of August 12<sup>th</sup>, 2025, the Company held approximately \$61.5 million in cash and cash equivalents, of which \$57.5 million was in U.S. dollars, the equivalent of \$0.3 million was in Colombian pesos, and the equivalent of \$3.7 million was in Canadian dollars, representing approximately 93%, 1%, and 6%, respectively of total cash balances.

## CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The determination of estimates requires the exercise of judgement based on various assumptions and other factors such as historical experience and current and expected economic conditions. Actual results could differ from those estimates.

Critical accounting estimates and assumptions as well as critical judgements in applying the Company's accounting policies are detailed in Note 3 of the audited consolidated financial statements for the year ended December 31, 2024, and in note 2 of the unaudited interim consolidated financial statements for the three and six months ended June 30, 2025.

## CHANGES IN ACCOUNTING POLICIES

### Future Accounting Changes

The following new standards and amendments to existing standards were issued by the IASB and are expected to be adopted by the Company in 2025 or later.

#### ***IFRS 18 – Presentation and Disclosure in Financial Statements***

In April 2024, IFRS 18, was issued to achieve comparability of the financial performance of similar entities. The issuance of IFRS 18 is expected to have a substantive impact on financial statements, including potential changes to the structure of the income statement and various disclosure requirements. The standard, which replaces IAS 1, "Presentation of Financial Statements", impacts the presentation of primary financial statements and notes, including the statement of earnings where companies will be required to present separate categories of income and expense for operating, investing, and financing activities with prescribed subtotals for each new category. The standard will also require management-defined performance measures to be explained and included in a separate note within the consolidated financial statements. The standard is effective for annual reporting periods beginning on or after January 1, 2027, including interim financial statements, and requires retrospective application. The Company is assessing the potential impact of the standard on its consolidated financial statements.

## INTERNAL CONTROL OVER FINANCIAL REPORTING AND DISCLOSURE CONTROLS AND PROCEDURES

The Company's Chief Executive Officer and Chief Financial Officer are responsible for establishing and

maintaining disclosure controls and procedures (“DC&P”) and internal controls over financial reporting (“ICFR”), as those terms are defined in National Instrument 52-109 – *Certification of Disclosure in Issuer’s Annual and Interim Filings* (“NI 52-109”) for the Company. The Company’s controls are based on the Committee of Sponsoring Organizations of the Treadway Commission (2013) framework.

The Company’s DC&P are designed to ensure that all important information about the Company, including operating and financial activities, is communicated fully, accurately and in a timely way that they provide the Company with assurance that the financial reporting is accurate.

ICFR means a process by or under the supervision of the Chief Executive Officer (“CEO”) and Chief Financial Officer (“CFO”) to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS.

There were no significant changes in the Company’s DC&P and ICFR, or in other factors that could significantly affect those controls subsequent to the date the CEO and CFO completed their evaluation as of June 30, 2025, nor were there any significant deficiencies or material weaknesses in the Company’s internal controls identified requiring corrective actions.

The Company’s management, with the participation of its CEO and CFO, has evaluated the effectiveness of the Company’s DC&P and ICFR. Based on such evaluation, the Company’s CEO and CFO have concluded that, as of June 30, 2025, the Company’s DC&P and ICFR were effective to provide reasonable assurance that the information required to be disclosed by the Company in reports it files is recorded, processed, summarized and reported, within the appropriate time periods.

The Company’s management, including the CEO and the CFO, does not expect that its DC&P and ICFR will prevent or detect all errors and fraud. A cost-effective system of internal controls, no matter how well conceived or operated, can provide only reasonable, not absolute, assurance that the objectives of the ICFR are achieved.

## **EMERGING MARKET DISCLOSURE**

### **Operations in an Emerging Market Jurisdiction**

The Company’s mineral properties and principal business operations are located in a foreign jurisdiction, namely the Republic of Colombia. Operating in Colombia exposes the Company to various degrees of political, economic and other risks and uncertainties.

### **Board and Management Experience and Oversight**

Key members of the Company’s management team and Board of directors have extensive experience running business operations in Colombia. Mr. Ari Sussman, the Executive Chairman of the Company, was Chief Executive Officer and a director of Continental Gold Inc. (“Continental Gold”), and Mr. Paul Begin, the Chief Financial Officer and Corporate Secretary of the Company, was Chief Financial Officer of Continental Gold, which was the largest gold mining company in Colombia and the first to successfully permit and construct a modern large-scale underground gold mine in the country. Continental Gold was a former Toronto Stock Exchange-listed issuer, from March 2010 until it was acquired by Zijin Mining Group Co., Ltd. in March 2020 for over C\$1.4 billion.

Mr. Ned Jalil, the Chief Executive Officer of the Company, is a seasoned mining executive with over 25 years of global experience across gold, silver, and key battery metals including copper and nickel. Ned has successfully led projects from exploration through to feasibility, construction, and production throughout Latin America.

Mr. Omar Ossma, the President of the Company, was the former Vice President, Legal of Continental Gold, and has over 20 years of legal experience in Colombian corporate, environmental, mining and energy law. As Vice President, Legal of Continental Gold, he oversaw the Colombian legal team and was responsible for all legal support efforts in the country.

Ms. Maria Constanza García Botero, an independent director of the Company, is a resident of Colombia, and has worked in public finance, urban development, infrastructure, mining, energy, and public-private partnerships (PPPs) as an advisor or in various management positions at the National Planning Department, the Ministry of Finance, and the National Hydrocarbons Agency. From 2010 to 2012 she

served as the Deputy Minister of Infrastructure at the Ministry of Transport (Colombia), and from 2012 to 2014, served as President of the National Mining Agency, Ministry of Mining and Energy (Colombia).

Mrs. Angela María Orozco Gómez, an independent director of the Company, is a resident of Colombia and has 30 years of government and international experience. Most recently, Mrs. Orozco Gómez was the Minister of Transport and Infrastructure, Colombia where she led various initiatives that secured public and private investments in the transportation and infrastructure industries. Mrs. Orozco Gómez has also been a partner in various private ventures that helped to represent industries in international trade disputes.

Mr. Ashwath Mehra is a seasoned executive with over 35 years' experience in the mineral industry. Mr. Mehra spent many years in the commodity trading and mining business as well as owning, buying and selling companies globally.

Mr. Jasper Bertisen is a seasoned leader in the mining industry with a proven track record of successfully driving strategic initiatives. He has spent the majority of his career in mining private equity with Resource Capital Funds, overseeing due diligence and strategy execution for investments spanning development-stage to producing assets across various commodities and global markets.

The Board, as well as management and consultants, are actively involved in technical activities, risk assessments and progress reports in connection with the Company's exploration activities. The Colombian-resident Board and management members work directly with local contractors in an operational capacity, and are familiar with the laws, business culture and standard practices in Colombia, are fluent in Spanish, and are experienced in dealing with Colombian government authorities, including with respect to mineral exploration licensing, maintenance, and operations.

### **Communication**

While the reporting language of the head office of the Company is English, the primary operating language in Colombia is Spanish. The senior management team in Colombia, Ms. García Botero and Ms. Orozco, are bilingual in English and Spanish, and Mr. Sussman is fluent in English and conversationally fluent in Spanish. The Company maintains open communication with its Colombian operations through its partially bilingual Board, such that there are no language barriers between the Company's management and local operations.

The Company's management communicates with its in-country operations through phone and video calls and conferences, in-country work, meetings, e-mails, and regular reporting procedures. In addition, Collective retained Lloreda Camacho & Co., a law firm based in Bogotá, Colombia, as its legal advisors for all Colombian related matters. Professionals at Lloreda Camacho & Co. acting on behalf of Collective are bilingual in both English and Spanish.

### **Controls Relating to Corporate Structure Risk**

The Company has implemented a system of corporate governance, internal controls over financial and disclosure controls and procedures that apply to the Company, Collective Mining Limited (Bermuda) including the Branch and its two indirect Colombian subsidiaries, Minerales Provenza and Minera Campana (together with Minerales Provenza, the "Colombian Subsidiaries"), which are overseen by the Board and implemented by senior management.

The relevant features of these systems include direct oversight over the Branch and the Colombian Subsidiaries' operations by Omar Ossma, as the principal representative each of the Colombian Subsidiaries and who is also the President and Chief Executive Officer of the Company. Since the Company indirectly holds all of the issued and outstanding equity interests of the legal entity that comprises the Branch and the Colombian Subsidiaries, the Company exercises effective control over the Branch and the management of each of the Colombian Subsidiaries, as well as its composition.

Executive management and the Board prepare and review the Colombian Subsidiaries' financial reporting as part of preparing its consolidated financial reporting, and the Company's independent auditors review the consolidated financial statements under the oversight of the Company's Audit Committee.

## **Local Records Management**

The minute books and corporate records of each of the Colombian Subsidiaries are maintained and held by the Company at Avenida El Poblado, Carrera 43 No. 9 Sur 195, Oficina 1034, Edificio Square, Medellin, Colombia. Senior management control these records and the Board and management team have full access.

## **Strategic Direction**

While the exploration operations of each of the Branch and the Company's subsidiaries are managed locally, the Board is responsible for the overall stewardship of the Company and, as such, supervises the management of the business and affairs of the Company. More specifically, the Board is responsible for reviewing the strategic business plans and corporate objectives, and approving acquisitions, dispositions, investments, capital expenditures and other transactions and matters that are material to the Company including those of its material subsidiaries.

## **Disclosure Controls and Procedures**

The Company has a disclosure policy that establishes the protocol for the preparation, review and dissemination of information about the Company. This policy provides for multiple points of contact in the review of important disclosure matters, which includes input from Board members in Colombia.

## **CEO and CFO Certifications**

In order for the Company's Chief Executive Officer and Chief Financial Officer to be in a position to attest to the matters addressed in the quarterly and annual certifications required by National Instrument 52-109 – *Certification of Disclosure in Issuers' Annual and Interim Filings*, the Company has developed internal procedures and responsibilities throughout the organization for its regular periodic and special situation reporting, in order to provide assurances that information that may constitute material information will reach the appropriate individuals who review public documents and statements relating to the Company and its subsidiaries containing material information, is prepared with input from the responsible officers and employees, and is available for review by the Chief Executive Officer and Chief Financial Officer of the Company in a timely manner.

## **Managing Cultural Differences**

Differences in cultures and practices between Canada and Colombia are addressed by the engagement of Colombian-resident Board and management members, as well as local advisors, who have deep operational experience with the mineral exploration industry in Colombia and are familiar with the local laws, business culture and standard practices, have local language proficiency, are experienced in working in Colombia and in dealing with the relevant government authorities and have experience and knowledge of the local banking systems and treasury requirements. In addition, most of the Company's management team members that are non-Colombians have been involved in the Colombian mineral exploration and development industry for over 10 years through their involvement with Continental Gold (as further described above), developing an understanding of the relevant cultural differences and helping in mitigating potential risks from cultural differences.

## **Transactions with Related Parties**

The Company is subject to applicable Canadian and United States securities laws and applicable exchange rules and Canadian accounting rules with respect to approval and disclosure of potential related party transactions and has procurement and other policies in place which it follows to mitigate risks associated with potential related party transactions. The Company may in the future transact with related parties from time to time, in which case such related party transactions may require disclosure in the consolidated financial statements of the Company and in accordance with applicable Canadian securities laws and accounting rules.

## **Controls Relating to Verification of Property Interests**

The Company engaged a local team with broad experience in mining exploration in Colombia, as well as in legal, social, and environmental matters. The lead team in Colombia was previously successful in licensing, building, and putting into operation other mining projects in Colombia. This contributed to

obtaining an understanding of the framework surrounding the good standing of the Company's properties and assets, from a legal, social, and environmental perspective.

The lead team was tasked with the negotiation and acquisition of properties that comprise the Colombian Projects. The current President and Chief Executive Officer of the Company, Mr. Omar Ossma, who led the negotiations and acquisitions of the Company's current projects, is a licensed lawyer in Colombia, with more than 20 years of professional experience in Colombian corporate, environmental, mining and energy law, 15 of which have been dedicated to the mining and energy sectors. His knowledge of the legal framework of mineral properties and assets assisted the Company in negotiating and entering into legally binding agreements under Colombian law, ensuring the good standing of the Company's rights over the acquired assets and properties.

The Company also retained an established and leading law firm based in Bogota, Colombia, as its legal advisors for all Colombian related matters, that is widely known for their mining practice. In addition to providing a wide array of legal services beginning from the date of incorporation of the Company's Colombian subsidiaries, the law firm also prepared and delivered title opinions with respect to the Company's current Colombian properties.

In addition, the Company retained two independent consulting firms specializing in the mining sector, with significant experience in social, engineering, environmental and other sustainability matters that prepared and delivered a due diligence report on the socio-economic and environmental conditions of the properties comprising the San Antonio Option, as well as the first and second Guayabales options, and a baseline study report on the performance of certain socio-economic, health and safety measures in the property area.

The mining concession contract owners of the Guayabales license, for which the Company recently accelerated its option agreement to own an undivided 100% interest (see press release dated June 23, 2025), requested to the Colombian authorities in 2022 that the incomplete cells abutting its mining title be integrated into within said title. The response by the authorities confirmed in writing that the incomplete cells will be integrated to their title once the electronic software of the Colombia mining cadastre is capable of integrating incomplete cells into the appropriate mining title.

### License, Permitting and other Regulatory Approvals

Based on consultations with its local advisers and government authorities, the Company satisfied itself that it has obtained all required permits, licenses and other regulatory approvals to carry out its business in Colombia. The table set out below details which material permits, business licenses and other regulatory approvals are required for the Company to carry out its business operations in Colombia.

<b>Material permit, license and/or other regulatory approval required to conduct operations</b>	<b>Material permit, license and/or regulatory approval obtained by the Company</b>
Operating as a Company requires a Public commercial registry before the Chamber of Commerce. This registry also activates a Tax Registry.	Obtained.
Prospecting activities (all exploration excluding drilling) are free activities in Colombia, and require no permit, other than authorization for land access from private owner.	The Company generally negotiates land access permits in advance to its operations. Currently, the Company has all required land access permits for its current prospecting campaign.
Drilling activities require a valid mining right and/or mining title granted by the National Mining Authority.	The Company is conducting exploration activities on mining titles LH0071-17, 781-17, H18-15231, 501712 and IIS-10401 which are validly granted mining titles.
Drilling activities will require authorization for land access from private owner.	The Company generally negotiates land access permits in advance to its operations. Currently, the Company has all required land access permits for its current drilling campaign.
Exploration activities are not subject to environmental license. However, if the activities require the use of natural renewable resources	The Company has been granted water rights for its drilling campaign, both in San Antonio and Guayabales projects, and may also recur

(such as water catchments, dumpings and timbering, amongst others) the Company will require a filing, and further permission, before the regional environmental corporation in the territory.	to purchase water in bulk to perform its drilling campaign.
Construction of a mining project, and its operation requires an environmental license granted by an environmental authority.	The Company is not currently in a position to advance either of its properties to the development and construction phase of a mining project, therefore it does not require an environmental license at this time.
Construction of a mining project, and its operation requires a work plan approved by the applicable mining authority.	The Company is not currently in a position to advance either of its properties to the development and construction phase of a mining project, therefore it does not require a work plan at this time.

As at the date of this MD&A, no restrictions or conditions have been imposed by the government of Colombia on the Company's ability to operate in Colombia. The Company's continued ability to operate in Colombia could be impacted as a result of: (i) a drastic change in water conditions which may result in restrictions on already granted water rights; (ii) a breach of environmental commitments and/or regulations by the Company; (iii) the declaration of environmentally protected areas which could restrict mining activities on the Company's current projects; or (iv) court ordered public hearings in regards to the presence of ethnic minorities on the Company's properties. See "*Risk and Uncertainties*".

## **RISKS AND UNCERTAINTIES**

The business of the Company is subject to a variety of risks and uncertainties. Investment in Common Shares should be considered highly speculative and involves a high degree of risk due to the nature of the Company's business and the present stage of development, production and exploration and the location of its properties in Colombia. As a result the recent acquisition of a new mining concession contract where exploitation activities are in progress, the Company has identified additional risks, including heightened exposure to environmental, operational and health and safety risks, . The integration of this new asset into the Company's portfolio may also give rise to unforeseen challenges that could adversely affect ongoing operations, timelines, or compliance obligations. Readers should carefully consider the risks disclosed in this MD&A, the audited consolidated financial statements for the year ended December 31, 2024, and the 2024 Annual Information Form. These risk factors are not a definitive list of all risk factors associated with an investment in the Company or relating to the Company's operations and any of these risk elements could have a material adverse effect on the business of the Company.

Management has expanded the disclosure under "Environmental and Other Regulatory Requirements" as originally presented in the audited consolidated financial statements for the year ended December 31, 2024, and the 2024 Annual Information Form. The following section reflects updated language to incorporate the Company's recent developments, including the acquisition of a new mining concession contract and associated regulatory considerations.

### **Environmental and Other Regulatory Requirements**

All phases of the Company's operations are subject to environmental regulation (including environmental impact assessments and permitting). Environmental legislation and international standards are continually evolving in a manner which will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. There have been a number of recent regulatory changes in Colombia and the Company expects additional regulatory changes, new interpretations and possibly enhanced enforcement to occur in the future. There is no assurance that the Company can or will be able to meet all standards on time, which could adversely affect the Company's business, financial condition or operations.

Environmental hazards may exist on the properties in which the Company holds interests which are unknown to the Company at present, and which have been caused by artisanal miners or previous or existing owners or operators of the properties. In addition, the Company has acquired a mining

concession contract where a small-scale mine is currently in operation which gives rise to potential health and safety risks, environmental risks or liabilities that could affect the property or the Company. To mitigate these risks, the Company is evaluating the environmental and health and safety practices of the third-party operator, monitoring site conditions, and assessing the need for any remediation measures. The Company is also reviewing applicable legal agreements and regulatory frameworks to ensure that responsibilities and liabilities are clearly defined and, where appropriate, has initiated discussions with the operator to align environmental practices with applicable standards and regulatory expectations.

Failure to comply with applicable laws, regulations, permitting and zoning requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. Parties engaged in mining operations or in the exploration, development or production of mineral properties may be required to compensate those suffering loss or damage by reason of the mining activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations. Amendments to current laws, regulations and permits governing operations and activities of mining and exploration companies, or more stringent implementation of existing laws, could have a material adverse impact on the Company and cause an increase in exploration expenses or capital expenditures or require abandonment or delays in the development of new exploration properties.

It is not possible for the Company to accurately predict changes in laws or policy or the extent to which any such developments or changes may have a material adverse effect on the Company's operations. Failure to comply strictly with applicable laws, regulations and local practices relating to mineral rights applications and tenure could result in loss, reduction or expropriation of entitlements, or the imposition of additional local or foreign parties as joint venture partners with carried or other interests. The occurrence of any of these various factors and uncertainties cannot be accurately predicted and could have an adverse effect on the properties, business, operations, or financial condition of the Company.

In addition, in the event of a dispute arising from foreign operations, the Company may be subject to the exclusive jurisdiction of foreign courts or may not be successful in subjecting foreign persons to the jurisdiction of courts in Canada.

The Company cannot give any assurances that breaches of environmental laws (whether inadvertent or not) or environmental pollution will not materially or adversely affect its financial condition. There is no assurance that future changes to environmental regulation, if any, will not adversely affect the Company.

In the future, the Company may require, from time to time, various approvals including, but not limited to, the approval from the National Environmental Licensing Authority (ANLA in Spanish) or the regional environmental authority for environmental permits. There is no assurance that the Company will receive such approvals or receive them within a reasonable time period.

In addition to updates made to existing risks, new risk factors have been identified in connection with the acquisition of a mining concession contract where operational activities are currently being carried out. These new risks should be considered alongside those already disclosed, as they may have a material impact on the Company's future performance and obligations.

### **Decommissioning and Reclamation Costs**

The Company is currently in the exploration stage, and as such, a formal decommissioning and reclamation plan has not yet been established. Management anticipates that such a plan, along with a corresponding cost estimate and regulatory filing, will be developed in accordance with applicable environmental and mining regulations prior to the commencement of any construction or development activities. The costs associated with future decommissioning and reclamation could be significant and are subject to change based on site-specific conditions, evolving regulations, and project scope. If the Company is required to comply with more stringent requirements or if actual reclamation costs are materially higher than anticipated, this could have a material adverse effect on the Company's future cash flows, earnings, and financial condition.

The Company has recently acquired a mining concession contract that includes a small-scale mine and processing plant, two small tailings ponds, and a waste dump, currently operated by a third party within the boundaries of the property, which could give rise to potential environmental risks or future liabilities associated with decommissioning and reclamation costs. The Company is in the process of evaluating the legal and environmental implications of this third-party operation and intends to implement appropriate monitoring and risk mitigation measures to address any potential obligations that may arise.

### **Insurance and Uninsurable Risks**

Exploration, development and production operations on mineral properties involve numerous risks including, but not limited to, unexpected or unusual geological operating conditions, rock bursts, cave-ins, fires, floods, landslides, earthquakes and other environmental occurrences, risks relating to the storage and shipment of precious metal concentrates or doré bars, and political and social instability. Such occurrences could result in damage to mineral properties, damage to underground development, damage to production facilities, personal injury or death, environmental damage to the Company's properties or the properties of others, delays in the ability to undertake exploration and development, monetary losses and possible legal liability. Should such liabilities arise, they could reduce or eliminate future profitability and result in increasing costs and a decline in the value of the securities of the Company.

Although the Company maintains insurance to protect against certain risks in such amounts as it considers reasonable, its insurance policies do not cover all the potential risks associated with a mining company's operations. The Company may also be unable to maintain insurance to cover these risks at economically feasible premiums. Insurance coverage may not continue to be available or may not be adequate to cover any resulting liability. Moreover, insurance against risks such as environmental pollution or other hazards as a result of exploration, development and production is not always available to the Company or to other companies in the mining industry on acceptable terms. The Company might also become subject to liability for pollution or other hazards which it may not be insured against or which the Company may elect not to insure against because of premium costs or other reasons. The Company does not currently maintain insurance or has sufficient limits to cover against all political risks, business interruption or loss of profits, cyber security, theft of doré bars, the economic value to re-create core samples, environmental risks and other risks. Furthermore, insurance limits currently in place may not be sufficient to cover losses arising from insured events. Losses from any of the above events may cause the Company to incur significant costs that could have a material adverse effect upon its financial performance and results of operations.

### **Use of Explosives**

The Company does not currently use explosives in its exploration activities, which are limited to drilling and related non-intrusive methods. However, a small-scale mining operation located on a recently acquired mining concession contract is actively using explosives for extraction purposes. While this operation is operated by a third party, the Company may be exposed to certain operational, legal, or reputational risks associated with the use of explosives on its titled property. These risks include the potential for accidents, theft or diversion of explosives, and association with unauthorized or illegal activities. The use of explosives is strictly regulated in Colombia, and any violations could result in sanctions or reputational harm. The Company is currently evaluating whether to assume responsibility for obtaining the necessary permits for future exploitation of the deposit, which could increase its exposure to these risks. Should the Company proceed in this direction, it will be required to comply with applicable explosives regulations and implement rigorous control measures to mitigate related risks.

### **CAUTION REGARDING FORWARD-LOOKING INFORMATION**

Except for statements of historical fact relating to the Company, certain information contained in this MD&A constitutes "forward-looking statements" and "forward-looking information" within the meaning of applicable securities legislation (collectively, "forward-looking statements")

In addition, statements (including data in tables) relating to mineral reserves and resources and gold equivalent ounces are forward-looking statements, as they involve implied assessment, based on certain estimates and assumptions, and no assurance can be given that the estimates will be realized.

Forward-looking statements are statements that are not historical facts and are generally, but not

always, identified by use of forward-looking terminology such as "expects", "plans", "anticipates", "believes", "intends", "estimates", "projects", "targets", "potential", "scheduled", "budgeted", "forecasted" and similar expressions or variations (including negative variations), or that events or conditions "will", "would", "may", "might", "could", "should", "will be taken", "occur" or "be achieved".

Forward-looking statements are based on the reasonable assumptions, estimates, analysis and opinions of management considered reasonable at the date the statements are made in light of management's experience and its perception of historical trends, current conditions and expected future developments, as well as other factors that it believes to be relevant and reasonable in the circumstances at the date that such statements are made. Forward-looking statements are inherently subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed or implied by such forward-looking information, including but not limited to risks related to: uncertainties associated with negotiations, misjudgements in the course of preparing forward-looking statements; the actual results of exploration activities; the inherent risks involved in the exploration and development of mineral properties; liquidity risk; the presence of artisanal miners and the effect of mineral extraction by third parties without title; unreliable historical data for projects; cybersecurity risks; risks regarding community relations; security risks; ability to maintain obligations; uncertainties inherent in conducting operations in a foreign country; uncertainties related to the availability and costs of financing needed in the future; reliance on outside contractors in certain exploration operations; risks arising from labour and employment matters; health and safety risks; risks related to use of explosives; reliance on adequate infrastructure for exploration activities; unexpected adverse changes that may result in failure to comply with environmental and other regulatory requirements; environmentally-protected areas/forest reserves risks; dependence on key management employees; title risks related to the ownership of the Company's projects; the Company's limited operating history; risks relating to retaining employees and consultants with special skills and knowledge; fluctuations in mineral prices; uninsurable risks related to exploration; risks relating to shareholder(s) exercising significant control over the Company; delays in obtaining government approvals; uncertainties inherent in conducting operations in a foreign country; title risks related to the ownership of the Company's projects and the related surface rights and to the boundaries of the Company's projects; risks relating to the Company's pending concession applications; uncertainties related to the availability and costs of financing needed in the future; differing interpretations of tax regimes in foreign jurisdictions; the loss of Canadian tax resident status; recovery of value added taxes; compliance with government regulation, anti-corruption laws and ESTMA; uncertainties inherent in competition with other exploration companies; non-governmental organization intervention and the creation of adverse sentiment among the inhabitants of areas of mineral development; uncertainties related to conflicts of interest of directors and officers of the Company; social media influence and reputation; the ability to fund operations through foreign subsidiaries; the residency of directors, officers and others; uncertainties related to holding minority interests in other companies; foreign currency fluctuations; global economic conditions; the market price of shares of the Company; the payment of future dividends; future sales of shares of the Company by existing shareholders; seizure or expropriation of assets; accounting policies and internal controls; passive foreign investment Company; litigation risks; indigenous peoples; impairment of mineral properties; and Bermuda legal matters. See "Risks and Uncertainties" in this MD&A for further discussion regarding risk factors.

### **Material Forward-Looking Information**

The Consolidated Financial Statements of the Company for the three and six months ended June 30, 2025, were prepared on a going concern basis. The going concern basis assumes that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the normal course of business. The assumption is based on the anticipation of obtaining additional sources of financing to fund its exploration and operating activities for the foreseeable future. There is no assurance that the Company will be able to obtain adequate financing in the future or that such financing will be on terms advantageous to the Company.

## **CORPORATE INFORMATION**

### **Corporate Office**

82 Richmond Street East  
Toronto, Ontario - M5C 1P1

### **Directors & Officers**

Ari Sussman, Executive Chairman  
Maria Constanza Garcia, Director  
Angela Maria Orozco, Director  
Ashwath Mehra, Director  
Jasper Bertisen, Director  
Ned Jalil, Chief Executive Officer  
Omar Ossma, President  
Paul Begin, Chief Financial Officer

### **Auditors**

BDO Dunwoody LLP  
360 Oakville Place Drive, Suite 500  
Oakville, Ontario – L6H 6K8

### **Stock Information**

Collective Mining Ltd. common shares are traded on the TSX and the NYSE American LLC under the symbol “CNL” and on the FSE under the symbol GG1.

### **Investor Relations**

Shareholder requests may be directed to Investor Relations via e-mail at [info@collectivemining.com](mailto:info@collectivemining.com) or via telephone at 416-451-2727