

SIFTER RESEARCH

Mako Mining Corp.

TSXV: MKO · OTCQX: MAKOF

*One Engine, Four Assets.**A High-Grade Gold Producer Transitioning to a Multi-Asset Platform.*

Price (Mar. 12, 2026)	C\$9.85 (US\$7.24)	Long-Term Debt	Zero	Exchange Rate Used	1 USD = 1.360 CAD
Market Cap	C\$861.9M (US\$633.7M)	Shares Outstanding	87.5M	EV (Dec-31-2025 liquidity)	~US\$555.6M
Valuation Gold Price	US\$4,500/oz (base)	EV / EBITDA (TTM)	~9.1x	ROA (TTM)	19.2%
Cash & Rec. (Dec 31, 2025)	US\$78.1M	Production target by H1 2028	200koz	Gold Produced (2025E)	~41.7 Koz

EV uses market cap of US\$633.7M (C\$861.9M) minus Dec 31, 2025 cash and receivables of US\$78.1M = US\$555.6M. TTM Adj. EBITDA of US\$60.8M per February 2026 corporate presentation (company-reported non-IFRS figure). EV/EBITDA = US\$555.6M ÷ US\$60.8M = ~9.1x. Q4 2025 record quarter not yet reflected in TTM figure; forward EV/EBITDA on estimated FY2025 EBITDA of US\$62-68M is closer to 8.2-9.0x. All monetary figures in this report are in US dollars (USD) unless explicitly labelled C\$ (Canadian dollars).

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Prepared exclusively from public filings, NI 43-101 technical reports, corporate presentations, press releases and MD&As.

This report is for informational purposes only and does not constitute investment advice.

I. THE BUSINESS IN PLAIN LANGUAGE

“If you can’t explain it to a child, you don’t understand it.”

Mako Mining mines gold. It processes ore in a 600-tonne-per-day mill in northern Nicaragua and sells the resulting gold at prevailing spot prices. That single sentence covers roughly 80% of what Mako does today.

The rest is the story of what it is trying to become.

The core asset is the San Albino mine in Nueva Segovia, Nicaragua. The deposit mills at 7-9 grams per ton (g/t) gold with 80-85% recovery. The October 2023 NI 43-101 Mineral Resource Estimate confirmed Measured and Indicated grades of 11.61 g/t Au on a fully-diluted open-pit basis, a grade profile that is materially above typical open-pit operating benchmarks and a primary driver of the company’s low-cost positioning. Commercial production was declared on July 1, 2021, after the team built the mine during the COVID-19 pandemic and two back-to-back Category 4 hurricanes. Since then, the mine has been the company’s sole economic engine: funding full debt repayment, share buybacks and a string of acquisitions structured to limit both cash outlay and equity dilution, each with varying degrees of success on those dimensions, as examined in Section VI.

In Q4 2025, San Albino sold 9,307 ounces of gold at an average realized price of US\$4,340 per ounce. The Moss Mine in Arizona added a further 2,297 ounces at US\$4,202 per ounce. Together these produced the company’s best quarter on record. Full-year 2025 gold sales totalled approximately 41.7 Koz across the two operating assets (San Albino: 36,210 oz per the February 2026 corporate presentation; Moss: approximately 5,500 oz including 2,297 oz in Q4 2025).

Asset	Jurisdiction	Stage	Estimated Scale	Current Status
San Albino	Nicaragua	Operating	35-40 Koz/yr	Commercial production Jul 2021; UG permit Dec 2025
Moss Mine	Arizona, USA	Ramp-Up	15-20 Koz/yr (target)	Acquired Mar 2025; Q4 2025: 2,297 oz; ramp-up ongoing
Mt. Hamilton	Nevada, USA	Pre-Construction	~40-50 Koz/yr (est.)	Fully permitted; DPA signed Nov 2025; operating control assumed Q4 2025; preconstruction underway; full construction targeted early Q2 2026
Eagle Mountain	Guyana	PEA / Permitting	+60 Koz/yr (PEA)	Goldsource acqn Jul 2024; EIA submission anticipated Q1 2026 per Jan 2026 update; submission not yet confirmed as of report date

Source: company filings and corporate presentations. Scale figures are management estimates or targets from official documents.

The Customer Question

Why does any buyer purchase gold from Mako? The honest answer: because Mako can produce to commercial specification at costs well below the prevailing market price. Gold is a commodity. It trades on global exchanges at a price that no single producer influences. The economic advantage is entirely upstream: it lives in the ore body, operating efficiency and cost structure, not in any proprietary customer relationship. The company cannot raise prices. It can only lower costs and add ounces.

What Does the Business Look Like in Five Years?

The five-year picture is directionally clear but operationally uncertain. San Albino transitions from a purely open-pit operation to a combined open-pit and underground mine. An underground permit was received in December 2025, covering two adits (entrances to an underground mine) targeted at 150-250 tons per day for approximately six years. As of the January 2026 Q4 operating update, the most recent data point available to this report, engineering and geotechnical activities to support underground development were actively advancing. Management had guided first underground production to commence in Q1 2026; as of this writing that milestone is either imminent or recently achieved, and its confirmation will be a material data point in the Q1 2026 operating update. Underground access extends mine life and should improve grade consistency by reaching higher-grade zones at depth that open-pit stripping cannot efficiently access.

Moss Mine in Arizona normalizes from its current turnaround status, Q3 2025 showed unit economics still below breakeven, into a functioning second cornerstone generating positive free cash flow. The January 2026 NI 43-101 resource update confirmed 646,000 Measured & Indicated (M&I) ounces at 0.35 g/t, providing a resource base sufficient to support a sustained heap-leach operation if costs are managed.

Mt. Hamilton, fully permitted and shovel-ready in Nevada, the second-highest-ranked mining jurisdiction globally in the Fraser Institute's 2024 Investment Attractiveness survey (behind Finland; Nevada subsequently rose to #1 in the 2025 survey), adds a US gold-silver asset with heap-leach simplicity and Nevada regulatory reliability. Mako assumed operating control of the project in Q4 2025 and preconstruction activities have commenced; full construction is expected to begin in early Q2 2026, contingent on completion of the acquisition (see Section V).

Eagle Mountain in Guyana is the long-dated option. The January 2024 PEA delineated a 1.2 million-ounce indicated resource at 1.18 g/t Au and estimated a post-tax NPV5 of US\$292 million at US\$1,850/oz gold, a figure that is highly gold-price sensitive and would be substantially larger at current spot prices (see Appendix B for illustrative sensitivity). As of the January 2026 Q4 operating update, management anticipated submitting the Environmental Impact Assessment (EIA) to the Guyana Environmental Protection Agency (EPA) in Q1 2026, in line with prior guidance; that submission had not been confirmed as of this report's

date. If completed, the filing would represent a major regulatory milestone, the culmination of years of data collection, geotechnical drilling, hydrology studies and stakeholder engagement. Community and stakeholder meetings, observed by the EPA, were conducted in October 2025 and have shaped both the EIA terms of reference and planned mitigation measures. Full operating permits and construction commencement are thereafter management's internal targets for 2026-2027, with first production potentially in 2027, timelines that remain contingent on EPA review and approval.

In five years, Mako is plausibly producing 80-120 Koz per year across two or three operating assets in multiple jurisdictions, representing a fundamental re-rating from a single-jurisdiction junior to a diversified mid-tier.

Management's own informal target is more ambitious: CEO Leisman communicated via X in early 2026 that the company is targeting approximately 200,000 oz per year by H1 2028 across four operating mines, noting that only 1.5 of our 4 mines are in production now, and the other 2 are bigger and more profitable, all fully funded. This figure has not been formalized as NI 43-101 reserve-based production guidance and should be treated as a directional management aspiration rather than audited forward guidance; it is nonetheless consistent with the asset pipeline as this report describes it and with full execution across San Albino, Moss, Mt. Hamilton and Eagle Mountain on the timelines management has indicated. The exact timing, costs and economics of that path are genuinely uncertain. Investors who buy today are underwriting the execution, not just the current mine.

II. THE MOAT: GRADE IS NOT A MOAT. THE TEAM MIGHT BE.

“A castle without a moat is just a building waiting to be besieged.”

Gold is a commodity. Mako cannot charge a premium for its ounces above the prevailing spot price. There is no pricing power, no customer lock-in, no network effect and no switching-cost dynamic. The analysis of Mako’s competitive position must therefore focus on the factors that determine cash cost per ounce, mine life and management’s ability to deploy capital productively, not on franchise characteristics that do not apply to a commodity producer. The following sections examine what Mako does and does not have in each of those dimensions.

The Grade Advantage

San Albino mills at 7.2-8.6 g/t gold, grades are documented by the October 2023 NI 43-101 Mineral Resource Estimate, which confirmed Measured & Indicated grades of 11.61 g/t on a fully-diluted open-pit basis. At the FY2024 cash cost of US\$980/oz and AISC of US\$1,371/oz, both sourced directly from the FY2024 MD&A and financial statements, the cost profile reflects the grade advantage directly in the unit economics. Grade drives recovery tons per mill feed ton, and higher-grade feed reduces the cost allocation per recovered ounce at a given throughput rate. In Q4 2025, with gold realized at US\$4,340/oz (per the January 2026 operating update), the implied gross margin per ounce, calculated as realized price minus AISC, exceeded US\$2,900, a level that reflects both the grade quality of the deposit and the prevailing gold price environment.

Unfortunately, the FY2024 cost figures above represent the audited baseline.

The more recent data point is less favorable: San Albino's standalone AISC for Q3 2025 was US\$2,064/oz, against a realized gold price of US\$3,452/oz in that quarter, implying a gross margin of approximately US\$1,388/oz, materially lower than the Q4 2025 figure cited above. The Q3 2025 figure reflects a combination of higher strip ratios, the cost absorption of integrating Moss into the consolidated structure and sustaining capital timing. Two structural cost factors deserve explicit mention. First, diesel fuel is a primary operating input for open-pit mining, powering drills, haul trucks and crushing equipment, meaning that sustained increases in global oil prices compress per-ounce margins directly and with limited ability to hedge in the short term. San Albino's grid connection for mill power partially mitigates this exposure relative to fully diesel-dependent operations, but the mining and haulage phases remain fuel-intensive. Second, the AISC figure is not fixed: it moves with mine sequencing, strip ratio, throughput, and capital allocation decisions in ways that can be significant quarter to quarter, as the swing from US\$817/oz in FY2023 to US\$1,371/oz in FY2024 to US\$2,064/oz in Q3 2025 at the same mine illustrates. Investors should model a cost range, not a point estimate.

The grade advantage is real and shows up directly in the financial record. It is also finite. Open-pit ore grades decline as higher-grade, near-surface material is extracted first. The Las Conchitas waste-stripping campaign in FY2024, which drove AISC from US\$817/oz (San Albino standalone, FY2023) to US\$1,371/oz (consolidated, FY2024), illustrates how mine sequencing decisions can temporarily but significantly inflate reported costs. Management characterized this as a transient investment in future production quality. The lesson: Mako's cost structure is not fixed; it moves with the mine plan and that movement can be significant.

Underground development is the answer to grade decline. The December 2025 underground permit, targeting 150-250 tons per day from two adits, accesses higher-grade mineralization at depth that is not economically reachable through open-pit methods. If costs are not managed, and underground mining is inherently more expensive per ton than open-pit, the cost advantage narrows. This is the core operating tension at San Albino for the next three years.

The Execution Advantage

The subtler competitive advantage is organizational: a management team with demonstrated mine-building competence under genuinely difficult conditions. The track record since August 2019 is specific and verifiable from official documents. Construction of San Albino was completed during COVID-19 lockdowns and two Category 4 hurricanes (Eta and Iota, November 2020). Commercial production was declared on schedule. The Wexford loan was repaid in full in October 2025, funded by the October 2025 private placement, leaving the company debt-free with US\$78.1 million of cash and receivables by year-end. Three acquisitions were completed using stock (Eagle Mountain), distressed-asset cash (Moss at US\$6.5 million post-bankruptcy) and a creative stream structure with zero cash and zero dilution (Mt. Hamilton).

The TSX-V listed junior gold producer has a well-documented typical trajectory: repeated equity issuances to fund development, a perpetually leveraged balance sheet and management incentives aligned with share issuance rather than share value creation. Mako's actual trajectory, from a leveraged construction-stage company in 2019 to a debt-free producer with US\$80 million of cash and receivables by February 2026, is a specific and verifiable departure from that pattern. The mechanism matters: it was not a commodity price spike that created the clean balance sheet. It was a sequence of documented operational decisions, such as prioritizing cash generation over production growth, repaying the Wexford loan from the proceeds of the October 2025 private placement, structuring the Eagle Mountain acquisition entirely in stock and the Mt. Hamilton deal with zero cash and zero equity.

The Exploration Advantage

San Albino sits within a ~188 km² district-scale land package in Nueva Segovia along 28 kilometers of identified orogenic-style gold mineralization. The company runs a systematic exploration program: US\$11.2

million invested in 2025, covering 67,253 meters of RC drilling and 7,280 meters of diamond drilling across multiple targets. The El Golfo discovery, 1 km southwest of Las Conchitas, returned intercepts of 74.90 g/t Au over 1.0 m, 45.70 g/t Au over 0.95 m, and 18.34 g/t Au over 4.2 m (estimated true width), confirming 630 meters of strike and 305 meters of dip extent, open in all directions. These are high-confidence, high-grade intercepts supporting district-scale potential that sits entirely outside the current resource base.

Is the Moat Widening or Narrowing?

The asset platform is broadening in asset count and jurisdiction. The cost and grade advantages at San Albino remain intact, and underground development should sustain rather than erode the grade profile over the near-to-medium term. The additions to the portfolio (Moss, Mt. Hamilton, Eagle Mountain) do not yet contribute to the operational cost-efficiency picture: Moss remains in a turnaround with elevated unit costs, while Mt. Hamilton and Eagle Mountain are pre-production. The company's operational strength today remains concentrated in San Albino. That concentration is a fact of the current stage of development, not a permanent condition.

III. INDUSTRY STRUCTURE & COMPETITIVE LANDSCAPE

The Gold Market

Gold price is the single most consequential variable in any Mako valuation and the relevant analytical task is not forecasting it but understanding precisely how Mako's cash flows respond across a range of scenarios.

In FY2024, Mako reported a cash cost of US\$980/oz and AISC of US\$1,371/oz at San Albino against an average realized price of US\$2,361/oz. At the Q4 2025 realized price of US\$4,340/oz, that same cost structure implies a cash margin above US\$3,300/oz. At a hypothetical US\$2,000/oz gold price, the cash margin compresses to approximately US\$1,020/oz, still positive, but a 74% reduction in absolute per-ounce cash generation on a 54% price decline. The operating leverage is real and asymmetric: cost per ton at the mine does not fall proportionally with the gold price, because the mine must continue operating at roughly the same intensity regardless of what gold trades at. Suspension carries its own costs and regulatory complications. Investors should model the US\$2,000/oz scenario explicitly. This report uses US\$4,500/oz as the base-case assumption, consistent with current spot, and US\$2,200/oz as the bear case. Both are examined in detail in Section IX.

Competitive Structure in Junior Gold Mining

The junior gold mining segment is structurally fragmented, with hundreds of companies competing simultaneously in capital markets, property markets and labor markets. No single junior producer has pricing power over the metal or meaningful influence over the competitive dynamics of the sector as a whole. That fragmentation matters for understanding Mako's position: the relevant competition is asset-level, not corporate-level. At the asset level, San Albino is geologically unusual. The Nueva Segovia district in Nicaragua hosts orogenic-style gold mineralization at grades that are markedly above what is typical for commercially-operated open-pit gold mines. There is no identifiable adjacent competitor developing a deposit with a comparable grade profile in the same district. That geological uniqueness is a structural input cost advantage, not a franchise protection, but it is real and it explains why the cost structure at San Albino compares favorably to most open-pit peers. The Moss Mine in Arizona competes in a more crowded operating context: heap-leach turnarounds in the US Southwest are not scarce and the asset's competitive differentiation rests entirely on its ability to reduce unit costs to a level that generates free cash flow at prevailing gold prices. Eagle Mountain in Guyana and Mt. Hamilton in Nevada operate in stable, well-established mining jurisdictions where capital can access quality projects through conventional means. Their competitive positioning is determined by permitting timeline, capital cost and operating cost estimates rather than by any geological scarcity.

Nicaragua: The Jurisdiction Question

Nicaragua under the Ortega government is not a comfortable jurisdiction for foreign investment. That is the honest starting point and must not be minimized. The Nicaraguan state has expropriated assets in other sectors. The political environment is opaque by Western standards. Rule of law is institutionally weaker than in Mexico, Nevada or Guyana.

The countervailing facts are real and matter to the probabilistic analysis. Gold represents approximately 35% of Nicaragua's total export earnings. The sector is too economically important to the state budget to casually destroy through expropriation. Mako operates under 25-year concession licenses and can repatriate cash freely. The company has operated through COVID-19, two Category 4 hurricanes, a major debt restructuring, and multiple changes in the global geopolitical environment without a single material disruption to its operating license. Other international miners continue operating in Nicaragua without expropriation incidents.

The honest assessment is that the probability of adverse government action against San Albino cannot be reliably quantified. That is itself the core of the risk. Any analysis that puts a specific probability on Nicaragua political risk (whether 5%, 10% or 2%) is offering false precision about a genuinely unquantifiable variable. The risk is binary: either the concession continues to operate or it does not. It is not a risk that can be hedged through derivative instruments, geographic diversification within a single company or contract structures that the Nicaraguan government would be bound to respect in a scenario of genuine political deterioration. What can be observed is that, over the four-year period of commercial production at San Albino (2021-2025), no material adverse government action has occurred, and gold has continued to represent a critical source of foreign exchange earnings for the Nicaraguan economy.

Those are relevant facts. They do not constitute a forecast.

The correct investor response is to treat Nicaragua risk as a permanent, unquantifiable discount factor that reduces position size relative to what the asset economics would otherwise justify and to monitor the specific signals that would provide early warning of deterioration.

Environmental and Social License Considerations

The industry structure discussion is incomplete without examining the environmental and social license dimensions of each operating and development asset. At San Albino, the relevant environmental baseline is that the operation has held 25-year concession licenses and has operated within the Nicaraguan regulatory framework since commercial production commenced in July 2021. The company discloses a reclamation provision of US\$4.1 million associated with the San Albino project as of September 30, 2025, modest relative to the scale of operations and reflecting the relatively contained footprint of the current open-pit and milling

complex. The underground development adds a new permitting dimension: the underground permit was received in December 2025, suggesting that the Nicaraguan regulatory process was navigated successfully for this specific expansion. No material environmental incidents or community disputes are disclosed in the available public record.

At the Moss Mine in Arizona, the environmental picture is more complex. The reclamation liability is US\$14.7 million, a legacy obligation from prior operators that Mako assumed at acquisition. This reflects the broader footprint and longer operating history of the Moss Mine, which was in production under previous ownership before the Chapter 11 bankruptcy process. The US\$1.76 million of restricted cash held as reclamation bonds represents partial security against this liability, leaving a net unfunded reclamation exposure that is an ongoing balance sheet consideration. The royalty disputes currently before the US Bankruptcy Court are a legal rather than environmental matter, but they interact with the permitting and operational environment at Moss in the sense that unresolved legal claims over the asset complicate any longer-term planning.

At Eagle Mountain in Guyana, the EIA process is itself the primary environmental and social license milestone. The October 2025 stakeholder engagement meetings are the most recent documented social license activity in the public record. The company has engaged Environmental Resources Management Ltd. (ERM) as its lead EIA consultant. The Guyana government has historically been supportive of gold mining development, and the country has attracted several international mining companies in recent years. The permitting timeline for Eagle Mountain will depend on the quality and completeness of the EIA submission, the EPA's review process and any public comment periods. None of those are predictable with precision, but the multi-year permitting track record for comparable projects in Guyana suggests a timeline of one to two years between EIA submission and full permit receipt, consistent with the company's internal target of construction commencement in 2026 or 2027.

At Mt. Hamilton in Nevada, the asset is fully permitted. This is an important fact: the single most time-consuming and unpredictable step in mine development in the Western United States, the permitting process, is already complete. Nevada's regulatory framework for heap-leach gold-silver operations is well-established, and the absence of permitting risk at Mt. Hamilton is a material de-risking factor relative to the other development assets in the portfolio. The primary remaining execution risks are construction cost and timeline, not regulatory approval.

IV. EARNINGS QUALITY & CASH FLOW FORENSICS

“Earnings are an opinion, cash is a fact.”

The Cash Conversion Test

The most important thing about Mako’s earnings history is that it is real. In FY2022, the company reported a net loss of US\$12.0 million but generated US\$16.4 million of operating cash flow. In FY2023, reported net income was US\$6.8 million versus US\$12.5 million of operating cash flow. In FY2024, US\$19.2 million net income versus US\$34.4 million of operating cash flow. In the first nine months of 2025 alone, US\$19.4 million net income on US\$31.0 million of operating cash flow.

Metric (All USD)	FY2022	FY2023	FY2024	9M 2025	Q4 2025*	FY2025E
Revenue (US\$M)	63.4	65.9	92.1	98.1	~50.0	~148
Gross Profit (US\$M)	9.8	22.8	46.4	45.2	n/a	n/a
Gross Margin %	15.5%	34.6%	50.4%	46.1%	n/a	n/a
Adj. EBITDA (est., US\$M)	12.8	23.8	37.9	n/a	n/a	~62-68
Net Income / (Loss) (US\$M)	(12.0)	6.8	19.2	19.4	n/a	n/a
Operating Cash Flow (US\$M)	16.4	12.5	34.4	31.0	n/a	n/a
Capex (approx., US\$M)	(8.8)	(4.8)	(12.9)	(9.6)	n/a	n/a
Free Cash Flow (OCF-Capex)	7.6	7.7	21.6	21.4	n/a	n/a
Gold Sold (Koz)	36.9	34.7	39.0	~30.1	~11.6 ¹	~41.7
Avg. Realized Price (US\$/oz)	1,718	1,900	2,361	n/a	~4,313	n/a
Cash Cost (US\$/oz)	840	825	980	n/a	n/a	n/a
AISC (US\$/oz)	1,149	1,156 ²	1,371	n/a	n/a	n/a

*Q4 2025 per January 2026 operating update. ¹ San Albino 9,307 oz + Moss 2,297 oz. 9M 2025 gold sold reconciled as San Albino ~26,903 oz + Moss ~3,219 oz = ~30,122 oz; FY2025 total = ~41,726 oz (San Albino 36,210 oz per Feb 2026 corporate presentation + Moss ~5,516 oz). ² FY2023 consolidated AISC; San Albino standalone FY2023 AISC was US\$817/oz. Adj. EBITDA = author estimates from available filings, not audited IFRS figures. TTM Adj. EBITDA through Sep 30, 2025: US\$60.8M per February 2026 corporate presentation (company-reported non-IFRS figure; used as operative TTM EBITDA throughout this report; the September 2025 presentation reported US\$55.7M for the same period, and Yahoo Finance reported US\$52M using a different methodology). Free cash flow = OCF minus capex (approximate; not an IFRS-defined metric).

Margin Quality and the Cycle Question

Margins at Mako are not stable, they move materially with grade sequencing, strip ratios, new mine areas, and the gold price. Gross margin expanded from 15.5% in FY2022 to 50.4% in FY2024. Approximately half of that improvement is operational (better mine management, improved mill utilization); approximately half is price (gold rose roughly 40% over the same period). The AISC swing from US\$817/oz in FY2023 to US\$1,371/oz in FY2024 at the same mine is the clearest evidence that the cost structure is variable, not fixed.

Moss Mine

The Moss Mine acquisition introduced a material drag into the consolidated financials. In Q3 2025, Moss reported cash costs of US\$4,756/oz and AISC of US\$4,596/oz, against a realized gold price of US\$3,476/oz producing ounces at a unit-level loss. (Note: the company's reported AISC is unusually lower than its cash cost for Q3 2025, as disclosed in the September 2025 corporate presentation; this inversion likely reflects classification or timing differences in sustaining capital credits during the ramp-up quarter.) Q4 2025 showed operational improvement: crushing operations transitioned to 24-hour coverage, key leadership and technical support personnel were added, and gold ounces placed on the heap leach pad and recovered through heap leaching increased month over month, per the January 2026 operating update. The 2,297 ounces sold at US\$4,202/oz represents progress but does not yet confirm that the operation has reached a sustainable cost structure below the gold price on a unit basis. Management guidance as of the January 2026 update indicated that steady-state production was expected in Q1 2026. That milestone will be a critical data point when Q1 2026 operating results are reported. Investors should track four specific metrics to confirm the turnaround is working: ounces recovered from the heap leach pad (confirming process stability), tons of ore placed per month (confirming mining throughput), cash cost per ounce (must trend below US\$2,000/oz to demonstrate structural improvement) and quarterly free cash flow at the asset level (the definitive confirmation that Moss is contributing rather than consuming capital).

The Moss reclamation liability and ongoing royalty disputes with Sandstorm Gold and Patriot Gold in US Bankruptcy Court further complicate the picture. The effective economic cost of the Moss acquisition, inclusive of reclamation liabilities assumed, is approximately US\$21 million, not the headline US\$6.5 million. Still inexpensive for a 646,000-ounce M&I resource in the US, but less obviously so. These obligations require resolution before Moss can be cleanly valued as a second productive asset.

V. THE BALANCE SHEET

“Debt kills silently” Mohnish Pabrai

The balance sheet transformation is the single most important quantitative fact about Mako today. The company entered 2022 with a working-capital deficit, meaningful obligations to Wexford Capital and Sailfish Royalty, and essentially zero unrestricted cash. By February 4, 2026, the date of the most recent corporate presentation in the available record, it held US\$80 million in combined cash and receivables with no long-term debt whatsoever.

Balance Sheet Item	Sep 30, 2025	Dec 31, 2025
<i>LIQUIDITY</i>		
Cash & Equivalents	27.7	-
Receivables, Prepaids & Other	4.0	-
Restricted Cash	1.8	1.8
Combined Cash & Receivables	~32	78.1
<i>ASSETS (Sep 30, 2025 Filed Balance Sheet)</i>		
Total Assets	151.4	-
Inventories (Current)	22.5	-
Inventories (Non-current)	13.3	-
Mining Interest, PP&E incl. Eagle Mountain	79.6	-
<i>LIABILITIES (Sep 30, 2025 Filed Balance Sheet)</i>		
Term Loans	5.2	Zero
Reclamation Obligations	19.8	-
Deferred Income Taxes	6.9	-
Total Liabilities	53.5	-
<i>EQUITY (Sep 30, 2025 Filed Balance Sheet)</i>		
Shareholders' Equity	97.9	-

From Leveraged to Net Cash: How It Happened

The path from leveraged to debt-free followed a clear sequence. The Sailfish Royalty silver loan, a streaming obligation linked to San Albino silver production, carried since the mine's construction phase, was fully delivered by April 28, 2025. Sailfish subsequently exercised its silver option for US\$1 million, meaning all future San Albino silver production from the San Albino-Murra property now flows to Sailfish at a fixed price. That arrangement is ongoing but not debt: it is a permanent royalty-like obligation embedded in the mine's revenue that reduces the effective realised price per ounce, primarily in silver.

The Wexford Capital loan, with a principal of US\$6.49 million, was repaid in full on October 28, 2025, funded by the October 2025 private placement. That placement raised C\$55.25 million gross (approximately C\$52.6 million net of commissions), comprising C\$35.0 million brokered at C\$8.00/share, C\$15.0 million non-brokered to Wexford (1,875,000 shares) and C\$5.25 million non-brokered to other participants. Note: C\$55.25 million at the prevailing rate (approximately 1.360 CAD/USD) represents approximately US\$40.6 million gross. The net effect: Wexford provided fresh capital that was partly used to repay its own outstanding loan, maintaining its approximately 48% shareholding. This structure worked financially. From a governance standpoint, the related-party dimension warrants a permanent investor haircut.

The Mt. Hamilton Stream Obligation

The proposed Mt. Hamilton acquisition, if completed, introduces an off-balance-sheet stream obligation that is economically meaningful. Under the agreed structure, Sailfish Royalty pays US\$40 million to acquire Mt. Hamilton LLC and transfers the asset to Mako in exchange for a corporate gold stream of approximately 342 ounces per month at 20% of spot gold price for 60 months (approximately 20,500 ounces total), plus a 2% NSR royalty on Mt. Hamilton upon stream completion.

The stream economics require careful analysis. At US\$4,500/oz spot gold, Mako delivers 342 oz per month to Sailfish and receives 20% of spot in return. Over 60 months this totals approximately 20,520 oz. The gross spot value of those ounces at US\$4,500/oz is approximately US\$92.3 million. Mako receives approximately US\$18.4 million (the 20% payment). The discount to Mako versus selling those ounces at spot is therefore approximately US\$73.9 million, this is the true economic cost of the stream, not the US\$18.4 million received. Sailfish pays US\$40 million to acquire the asset and transfers it to Mako. In exchange, Mako foregoes approximately US\$73.9 million of gold value at US\$4,500/oz spot over the 60-month stream period (undiscounted). At a 10% discount rate applied to the monthly stream shortfall, the NPV of the foregone spread is approximately US\$47-50 million. This NPV estimate is the author's own calculation and is sensitive to both the discount rate applied and the prevailing gold price; at US\$3,000/oz the stream NPV cost falls to approximately US\$28-32 million. The range matters more than the point estimate. The stream also carries a put/call collar: Sailfish is protected by a put equivalent at US\$2,700/oz, and Mako benefits from a call

equivalent at US\$3,700/oz which reduces the ounces required per month at lower gold prices, partially limiting downside stream cost. The correct framing is: Mako is acquiring a US\$40 million fully-permitted Nevada asset in exchange for a stream obligation whose NPV cost is approximately US\$47-50 million at US\$4,500/oz gold and approximately US\$28-32 million at US\$3,000/oz gold. That is expensive financing relative to a conventional debt transaction at market rates.

The justification is the preservation of the balance sheet (no cash outlay), the absence of dilution, and the operational value of adding a fully-permitted, shovel-ready US gold-silver asset to the portfolio with no balance sheet strain. Whether that trade-off is value-creating for minority shareholders depends substantially on what Mt. Hamilton's actual economics look like in production. The governance complexity remains a persistent discount factor that must be priced in independently of whether the stream economics are mechanically attractive.

Tungsten and Critical Mineral Optionality at Mt. Hamilton

Mako's own September 2025 acquisition materials and subsequent corporate presentations explicitly frame Mt. Hamilton not only as a permitted gold-silver asset but also as a project with a separate tungsten-copper-molybdenum target, supported by more than 100,000 feet of historical drilling located below and separate from the current gold-silver mineral resource. Tungsten is classified as a critical mineral by the US Department of the Interior, which can open access to specific US federal financing programmes, offtake interest from defence-adjacent industrial buyers, and strategic partnerships unavailable to a conventional gold-silver project. That makes this combination, a fully-permitted Nevada site with an active gold-silver development and a below-mine tungsten target, strategically interesting.

The currently cited tungsten data are historical and have not been verified or classified by Mako's qualified persons as a current NI 43-101 mineral resource or reserve. This report treats tungsten as strategically interesting, currently zero-valued in any financial model and contingent entirely on modern NI 43-101 work, meaning a drill programme, metallurgical testing and an independent resource estimate, before it can affect any valuation input. If that work is commissioned and an NI 43-101 resource is declared, the calculus changes and the current share price does not reflect it.

VI. CAPITAL ALLOCATION & RETURNS ON CAPITAL

Return on Invested Capital

The TTM return on equity of 28.4% and return on assets of 19.2%, as reported in the company's Q3 2025 press release using the September 30, 2025 balance sheet in USD terms, are consistent with a genuinely high-returning asset in a favourable gold price environment. A simplified ROIC calculation using FY2024 data yields approximately 30-34% on San Albino alone, well above any reasonable estimate of the company's cost of capital. These numbers benefit substantially from the gold cycle and will compress in a lower-price environment, but the direction is clear: San Albino is a genuine value-creating asset.

Acquisition Track Record

Eagle Mountain (July 2024). All-Stock, Inexpensive. The Goldsource Mines transaction was structured entirely in stock: 13.2 million Mako shares issued at a blended implied value of approximately US\$34 million. In exchange, Mako acquired a 1.2 million-ounce Indicated resource in Guyana at approximately US\$27/oz Indicated, inexpensive for a deposit of this scale and grade. The January 2024 PEA estimated post-tax NPV5 of US\$292 million at US\$1,850/oz gold, approximately 8.6x the acquisition cost. Eagle Mountain's economics are highly gold-price sensitive.

Moss Mine (March 2025). Distressed but Complicated. Acquired for US\$6.5 million cash from a Wexford-related entity following Chapter 11 bankruptcy. Post-bankruptcy pricing: US\$6.5 million for a 646,000-oz M&I resource in Arizona plus a permitted operating facility. The effective economic cost inclusive of reclamation liabilities assumed is approximately US\$21 million, still inexpensive, but the asset was distressed for a reason. Q3 2025 unit economics were deeply negative.

Mt. Hamilton (2025-2026). Creative but Governance-Laden. Zero cash, zero equity dilution. Asset acquired through a stream-for-asset exchange engineered via Sailfish Royalty. Fully permitted and shovel-ready in Nevada. The economic cost is the forward stream obligation of approximately 20,500 oz at 20% spot over 60 months. The key number is not the US\$18.4 million that Mako receives on those ounces (the 20% payment), it is the US\$73.9 million gross spot value foregone at US\$4,500/oz, equivalent to a stream NPV cost of approximately US\$47-50 million at a 10% discount rate. Mako acquires a US\$40 million asset by accepting an ~US\$47-50 million NPV financing cost. It is an asset-backed stream with expensive implied financing terms, justified by the absence of cash outlay and dilution. The governance path requires permanent scrutiny.

Share Buybacks and Dilution

Mako has repurchased approximately US\$5.3 million of shares since 2019 (US\$2.9 million in the TTM), an unusual discipline for a junior miner in growth mode. At the same time, shares outstanding increased from approximately 65.7 million at end-2022 to 87.5 million by February 2026, a 33% increase driven primarily by the Eagle Mountain all-stock acquisition (13.2 million shares) and the October 2025 private placement (approximately 6.9 million shares). Dilution occurred, but it was tied to identifiable asset additions rather than operational shortfalls. The fully diluted share count of approximately 90.7 million (adding 1.7 million options, 1.1 million RSUs, 0.4 million DSUs) is the correct denominator for any per-share valuation calculation.

VII. THE PEOPLE RUNNING THE BUSINESS

“Invest with managers who think like owners, not promoters.”

Akiba Leisman. Chief Executive Officer

Leisman took effective control of the company in August 2019. What he inherited was a half-built mine in Nicaragua with no cash, a complicated capital structure and management that had not yet delivered commercial production. What followed over the next six years was construction completion during COVID-19 and two Category 4 hurricanes, commercial production declared on schedule, full debt repayment and a tripling of the asset base through three acquisitions structured to minimise dilution. Each of those outcomes is documented in the filed financial statements and press releases.

The communication style in MD&A disclosures is operationally detailed rather than promotional. Filings from FY2022 through the Q3 2025 quarterly report cover mill throughput, head grade, metallurgical recovery, strip ratio by mine area and AISC on both a consolidated and standalone basis.

Difficult operating periods are disclosed with specific context rather than obscured through non-standard adjustments. The FY2024 AISC of US\$1,371/oz at San Albino, up from US\$817/oz in FY2023, was attributed in the MD&A to the Las Conchitas pre-stripping campaign, an explanation that is mechanically consistent with the mine plan and testable against subsequent production data. The Q3 2025 Moss Mine unit economics, where cash costs of US\$4,756/oz exceeded the prevailing gold price, were disclosed with operational context rather than recharacterised through adjusted metrics. Whether the management explanations prove correct over time is an empirical question. What can be observed now is that the disclosures are specific and testable, which is the appropriate standard for evaluating disclosure quality.

The Management Bench

Steve Parsons (President) is the former CEO of Goldsource Mines and former Senior Vice President at Yamana Gold. His arrival via the Eagle Mountain acquisition added genuine mid-tier mining development experience. Frank Powell (VP Exploration, 39 years of experience including Placer Dome) brings technical credibility to the district-scale Nicaragua exploration programme. Jesse Muñoz (COO, 35+ years, has built three mines in Latin America) runs day-to-day operations at San Albino. Ezequiel Sirotsky (CFO, 25+ years, former Calibre Mining and AngloGold Ashanti) provides financial management discipline. Eric Fier (Non-Executive Chairman, former CEO of SilverCrest Metals) provides board oversight from an executive with a proven small-cap mining value-creation track record. The management has verifiable operating credentials at each level.

The Related-Party Ecosystem

Party	Relationship	Key Transactions
Wexford Capital LP	~48% controlling shareholder	Wexford Loan (repaid Oct 2025); Oct 2025 equity raise (C\$15M from Wexford); Moss acquisition from Wexford-related entity
Sailfish Royalty Corp.	Related via common Wexford shareholders; CEO chairs Sailfish	Silver loan (delivered Apr 2025); silver stream option exercised (US\$1M); Mt. Hamilton intermediary (US\$40M structure)
Tes-Oro Mining Group LLC	Controlled by COO Jesse Muñoz	Disclosed related-party management consultant; services provided to Mako
Steve Parsons (President)	Former CEO Goldsource Mines	Eagle Mountain acquisition, arrived with Goldsource transaction

All related-party transactions are disclosed in Mako's IFRS financial statements and approved through applicable special committee or shareholder processes. Source: Mako Mining MD&A and financial statement notes (FY2022-Q3 2025).

VIII. WHAT COULD GO WRONG

“Don’t ask what can go right. Ask what can go wrong.”

Nicaragua Political Risk

The Ortega government has demonstrated willingness to expropriate assets in other sectors of the Nicaraguan economy. San Albino remains the economic cornerstone of Mako’s entire investment thesis. A forced closure, licence revocation, increased taxation, or nationalization of San Albino would eliminate the current earnings engine and destroy the company’s ability to fund any of the three development projects. This is a binary, non-diversifiable and largely unhedgeable risk. Gold’s importance to Nicaraguan export earnings (approximately 35%) provides partial protection. The 25-year concession structure provides partial legal protection. Neither provides a guarantee.

No Mineral Reserves Declared

This is the most analytically uncomfortable fact in this report. Mako is operating San Albino on the basis of mineral resources, not NI 43-101 mineral reserves. The company explicitly discloses in its MD&A: the production decision at San Albino was made without a feasibility study and as a result there is increased uncertainty and a high risk of economic or technical failure. That is not boilerplate. It is a specific, material risk disclosure. A mineral resource includes Inferred material that is geologically estimated but not confirmed to the economic standards required for a reserve declaration. Every serious institutional investor applying resource-economics methodology will apply a significant discount to any ounce that is not a reserve.

Related-Party Concentration

As documented in Section VII, Wexford, Sailfish, and Tes-Oro appear on multiple sides of Mako’s largest capital allocation decisions. The risk is not that management is dishonest, the operational track record argues otherwise. The risk is that the complexity of related-party dynamics creates conditions under which value can migrate away from minority shareholders without any single transaction being obviously abusive. The remedy is permanent vigilance, a permanent valuation discount and a zero-tolerance monitoring framework.

Moss Mine Execution Risk

Q3 2025 showed Moss generating ounces at a net unit-level loss: AISC of US\$4,596/oz versus a realised gold price of US\$3,476/oz. The Q4 2025 improvement (2,297 oz at US\$4,202/oz) is directionally encouraging but not yet proof of sustainable positive economics. The asset carries US\$14.7 million of reclamation liability, unresolved royalty disputes in US Bankruptcy Court, and an operating profile not yet demonstrated to

generate meaningful free cash flow. If Moss requires a further 12-18 months of negative unit economics, it will consume management attention and potentially cash, simultaneously delaying Mt. Hamilton construction funding.

Gold Price Compression

Our valuation base case uses US\$4,500/oz gold, consistent with the current spot environment. The question for a disciplined investor is: what happens at US\$2,000/oz? At that price with FY2024 AISC of US\$1,371/oz, San Albino's gross margin per ounce is approximately US\$629, still profitable but dramatically compressed. At US\$1,500/oz sustained, economics at the consolidated level become challenged, particularly as Moss adds volume at elevated per-unit costs. The company is not existentially threatened by a moderate price correction, but the valuation story compresses dramatically.

The Thesis-Killer Scenario

The single scenario that validates immediate exit: Nicaragua takes material adverse action against San Albino's operating licence simultaneously with a sustained gold price decline below US\$1,800/oz. In that scenario, Mako holds three development-stage assets requiring US\$100+ million of capital to advance, a governance structure that would make independent financing expensive and no producing cash flow. These risks are individually low-probability. Their joint occurrence is lower still. But because both risks are correlated through the company's concentrated Nicaragua dependence, they are not independent events.

IX. VALUATION & MARGIN OF SAFETY

“Price is what you pay. Value is what you get.” Warren Buffett

Currency and Gold Price Conventions

All monetary figures in this section are in US dollars (USD) unless explicitly labelled C\$ (Canadian dollars). The exchange rate used throughout is 1 USD = 1.360 CAD (equivalently, C\$1 = US\$0.735), approximating the prevailing rate at market close March 12, 2026. The base-case gold price for valuation is US\$4,500/oz, consistent with the current spot environment and representing a realistic forward scenario given structural central bank demand and geopolitical conditions. A bear case uses US\$2,200/oz. A bull case uses US\$5,500/oz.

The Current Price in Context

At C\$9.85 (US\$7.24 per share at the 1.360 exchange rate), Mako trades at a market capitalization of approximately US\$633.7 million. Using December 31, 2025 cash and receivables of US\$78.1 million, the figure reported in the January 2026 Q4 press release, which is the most recent auditable liquidity data point prior to this report’s date, the enterprise value is approximately US\$555.6 million.

A brief note on the liquidity figure: the US\$78.1 million represents combined cash and trade receivables at year-end. Enterprise value strictly defined nets only unrestricted cash; if receivables (estimated at approximately US\$8-10 million based on the September 30, 2025 balance sheet) are excluded, the strict-cash EV would be approximately US\$560-562 million. For consistency, this report uses the US\$78.1 million total liquidity figure and labels it accordingly throughout. The TTM Adjusted EBITDA through September 30, 2025, as reported in the February 2026 corporate presentation, is US\$60.8 million. This is a company-reported non-IFRS figure, sourced directly from a company-issued document (the September 2025 presentation had reported US\$55.7 million for the same period; the updated figure is used throughout this report).

The EV/EBITDA on this basis is $US\$555.6M \div US\$60.8M =$ approximately 9.1x. That trailing figure still materially understates the current run rate: Q4 2025 delivered US\$50 million of revenue in a single quarter at US\$4,313/oz average gold. The forward-looking EV/EBITDA on estimated full-year 2025 EBITDA of US\$62-68 million is closer to 8.2-9.0x.

The stock has risen +147% in the trailing 52 weeks. The burden of proof for further material upside rests entirely on execution: Moss normalization, Mt. Hamilton construction commencement, Eagle Mountain permitting progress and continued San Albino performance.

Intrinsic Value: Three Scenarios at US\$4,500/oz Base

The three scenarios below use a consistent EBITDA bridge built from revenue minus cash operating costs minus corporate G&A. This avoids the methodological error of applying EV/EBITDA multiples to AISC-derived margins. AISC is an all-in sustaining metric that incorporates sustaining capital expenditure; it is not an EBITDA cost concept.

The correct approach is to estimate cash operating costs (excluding sustaining capex), subtract corporate overhead, and arrive at an EBITDA figure to which a market multiple is applied. Sustaining capex is then separately considered in free cash flow analysis. For the operating cost line, this report uses the FY2024 audited cash cost of US\$980/oz at San Albino as the base reference for that asset, and a normalized estimate of approximately US\$1,400/oz cash operating cost for Moss at stabilized production, consistent with management's ramp-up trajectory. The blended cash operating cost across the combined production profile is therefore approximately US\$1,050-1,150/oz depending on the production mix scenario. Corporate G&A is estimated from the audited financial statements at approximately US\$12-18 million per year depending on scale. All per-share values are shown in both USD and C\$ using the 1.360 CAD/USD rate used consistently throughout this report.

On peer multiples: TSX-V and TSX-listed gold producers in the 30-100 Koz annual production range with single or dual producing assets have traded at approximately 4-6x EV/EBITDA at gold prices of US\$1,800-2,200/oz (bear environment), 7-10x at US\$3,500-4,500/oz (current environment), and 9-12x at US\$4,500/oz+ with multi-asset optionality (bull environment). Mako applies a governance and jurisdiction discount within those ranges: the Nicaragua risk, the no-reserves disclosure and the related-party complexity each independently compress the multiple relative to a clean peer. The multiples below reflect those discounts applied to the applicable peer range band.

Valuation Component (US\$)	Bear Case	Base Case	Bull Case
Gold Price Assumption	US\$2,200/oz	US\$4,500/oz	US\$5,500/oz
Estimated Production (Koz)	~45 Koz	~50 Koz	~55+ Koz
Blended Cash Op. Cost (US\$/oz, excl. sustaining capex)	~1,050	~1,120	~1,150
Cash Operating Margin (US\$/oz)	~1,150	~3,380	~4,350
Cash Operating Margin (US\$M)	~51.8	~169.0	~239.3
Less: Corporate G&A (US\$M)	(12.0)	(15.0)	(18.0)
Normalized EBITDA (US\$M)	~40	~154	~221

Valuation Component (US\$)	Bear Case	Base Case	Bull Case
EV/EBITDA Multiple Applied	4.5x	8.5x	10.5x
Implied EV (US\$M)	180	1,309	2,321
Add: Cash & Rec. Dec 31, 2025 (US\$M)	+78	+78	+78
Implied Equity Value (US\$M)	258	1,387	2,399
Per share in USD (90.7M diluted)	US\$2.84	US\$15.29	US\$26.45
Per share in C\$ (at 1.360)	C\$3.86	C\$20.79	C\$35.97
vs. C\$9.85 current price	-61%	+111%	+265%

A forward look at the management production target. CEO Leisman communicated via X in early 2026 a directional target of approximately 200,000 oz per year by H1 2028 across four operating mines, a figure consistent with full execution across San Albino, Moss, Mt. Hamilton, and Eagle Mountain on the timelines management has indicated and treated in this report as an informal management aspiration rather than NI 43-101-based guidance. If that target is achieved, the valuation picture changes materially. At 200,000 oz and a blended cash operating cost of approximately US\$1,050/oz (author estimate: San Albino ~US\$980/oz, Moss normalized ~US\$1,400/oz, Mt. Hamilton and Eagle Mountain at PEA-implied costs of ~US\$750-950/oz), cash operating margin at US\$4,500/oz gold would be approximately US\$690 million. After scaled corporate G&A of approximately US\$25-30 million, normalized EBITDA approaches US\$660 million. At a 7.0x EV/EBITDA multiple, appropriate for a diversified four-asset mid-tier producer, discounted for Nicaragua jurisdiction and governance complexity, the implied enterprise value is approximately US\$4.6 billion, or approximately US\$52 per share (C\$71) on a fully diluted basis. That figure sits approximately 3 years in the future; discounted at 15% per annum, the present value of that scenario is approximately C\$47 per share, representing roughly +377% from the current price of C\$9.85.

This is a scenario analysis illustrating the leverage embedded in successful four-mine execution. The assumptions are aggressive, the timeline is uncertain and the discount rate does not fully capture Nicaragua binary risk or execution risk across three simultaneous development projects. Investors should treat it as an upper-bound optionality frame, not a base case.

Sum-of-the-Parts Analysis (US\$4,500/oz Base)

The SOTP lens separates the producing asset from the development pipeline, applying stage-specific discounts to each component. All values in USD.

Segment / Asset	Methodology	Est. Value (US\$M)	Key Assumptions
San Albino (operating)	Revenue US\$157.5M (35 Koz × US\$4,500) minus Cash OpEx US\$34.3M (US\$980/oz) minus allocated G&A US\$6M = EBITDA ~US\$117M; × 9.0x; minus 15% Nicaragua discount	~895	US\$4,500/oz; 35 Koz/yr; cash op. cost ~US\$980/oz (FY2024 audited); G&A allocation ~US\$6M; implied EBITDA ~US\$117M; 15% jurisdiction haircut applied to the 9.0x multiple
Moss Mine (ramp-up)	Blended normalised EBITDA ~US\$15M (heavily discounted for ramp-up risk; full-run EBITDA potential ~US\$40M at 15 Koz/\$4,500) × 5.0x	~75	15 Koz/yr target; normalised cash op. cost ~US\$1,400/oz (above FY2024 cash cost; reflects ramp-up complexity); royalty dispute and reclamation risk embedded in 5.0x discount multiple
Mt. Hamilton (pre-construction)	578 Koz Au M&I × US\$50/oz = US\$28.9M; less stream NPV ~US\$47M (10% disc.); plus permitted premium ~US\$33M	~15	Net after corrected stream NPV cost (~US\$47M at 10% discount rate on US\$73.9M undiscounted forego); 4.8 Moz Ag and tungsten optionality unmodelled
Eagle Mountain (PEA deep-discount optionality)	5% credit on published PEA NPV5 US\$292M @ US\$1,850/oz = US\$14.6M; plus project advancement premium to US\$40M. PEA scaling to US\$4,500/oz is illustrative only; not used as SOTP input	~40	Reduced from prior US\$99M: PEA-stage with multi-year permitting ahead; linear NPV scaling too rough for core SOTP; treated as optionality
Nicaragua district exploration	Qualitative option value; El Golfo discovery; ~188 km ² ; 28 km strike	~50	No NI 43-101 resource assigned; district upside real but unquantified
Corporate overhead (PV of drag)	~US\$12M/yr G&A × 8.0x cost	(96)	Ongoing cost; offset by exploration value credit above
Total SOTP EV		~979	
Add: Cash & Receivables (Dec 31, 2025, US\$M)		+78	

Segment / Asset	Methodology	Est. Value (US\$M)	Key Assumptions
SOTP Equity Value		~1,057 / US\$11.65/sh / C\$15.84/sh	90.7M diluted; USD/CAD = 1.360

SOTP equity implies approximately +61% upside vs. C\$9.85 at US\$4,500/oz spot-linked base case. EV = Market cap US\$633.7M minus Dec 31, 2025 cash & receivables US\$78.1M = US\$555.6M. Eagle Mountain PEA NPV scaling is illustrative only, not a formal rerun. Source: Mako Mining public filings and NI 43-101 technical reports as cited throughout.

Why the Opportunity Exists

Three structural factors sustain a discount relative to the SOTP value. First, Nicaragua jurisdiction risk: a large universe of institutional investors cannot or will not accept political risk in Central America, permanently reducing the buyer universe. Second, the absence of mineral reserves: resource-economics-minded institutional buyers will discount every ounce that lacks a reserve declaration, reducing their willingness to pay full SOTP. Third, related-party governance complexity: the Wexford-Sailfish ecosystem creates a governance discount that institutional ESG screens will penalise. None of these factors is likely to fully resolve in the near term. At US\$4,500/oz gold, the gap between the SOTP-implied equity value of C\$15.84 per share and the current market price of C\$9.85 is large enough to be analytically interesting even after applying permanent discounts for all three factors.

The Asymmetry

At US\$4,500/oz gold, the base case implies approximately +111% upside to the EBITDA-multiple analysis or +61% upside to the SOTP analysis. The bull case implies +265%. The bear case, a severe gold price reversal to US\$2,200/oz combined with operational disappointment, implies approximately 61% downside. The distribution is genuinely asymmetric to the upside at current gold prices, but the bear case downside is severe and real. At a 15-25% lower share price (C\$7.50-8.35 / US\$5.51-6.14), the margin of safety improves materially in all three valuation scenarios. The SOTP analysis at those entry prices would imply approximately 90-110% upside to the base-case intrinsic value estimate, narrowing the gap between price and value to a level where the downside risk in the bear case is more adequately compensated.

X. THE FINAL VERDICT

“The discipline to say ‘no’ is the investor’s true competitive advantage.”

The Thesis in Plain Language

Mako is a high-grade gold producer transitioning from a single-mine junior into a multi-asset platform. At US\$4,500/oz gold, the current earnings power of San Albino alone, approximately US\$120 million of normalized annual EBITDA at 35 Koz/yr production and a cash operating cost of approximately US\$980/oz, accounts for a significant portion of the company’s current enterprise value of approximately US\$555.6 million. The development pipeline, Moss, Mt. Hamilton, Eagle Mountain and the 28 km Nicaragua district, represents pipeline value not yet fully reflected in the current EV, available to investors patient enough to wait 2-3 years for the execution catalysts.

The core of the investment thesis rests on four sequential claims: (1) San Albino continues to generate strong cash flows across a wide range of gold prices; (2) Moss normalises within 12 months into a positive-economics heap-leach operation; (3) Mt. Hamilton receives construction approval and reaches initial production by 2027; and (4) the market eventually credits a diversified multi-asset platform with a higher multiple than a single-jurisdiction junior. All four claims are plausible. None is certain.

The Bear Case, Stated Honestly

A credible bear would argue: Mako is a commodity producer with no structural moat whose primary asset operates in one of the most politically risky mining jurisdictions in the Americas. It has never declared mineral reserves. Multiple major capital allocation decisions have run through related-party structures controlled by the same shareholder ecosystem. The stock has more than doubled in twelve months. Moss remains an unproven turnaround. US\$4,500/oz gold is not guaranteed to persist. Eagle Mountain is years from production. The counterarguments are specific and documented throughout this report. Both positions are coherent; neither is unreasonable. This is where position sizing and the monitoring framework matter.

Monitoring Dashboard. What to Watch

Metric	What to Watch	Kill Switch Trigger
San Albino AISC	Cost vs. realized gold spread each quarter	AISC > US\$2,500/oz sustained for 2+ quarters
San Albino Grade	Mined grade vs. MRE grade (11.61 g/t diluted)	Sustained mined grade below 5.0 g/t

Metric	What to Watch	Kill Switch Trigger
Moss Unit Economics	Quarterly oz sold, cash cost, AISC (all USD)	AISC > realized gold price for 2+ consecutive quarters
Mt. Hamilton	DPA closing confirmed; construction start announced; first blast or earthworks reported	DPA fails or terms renegotiated materially; construction start not confirmed within two quarters of completion announcement; or management guidance withdrawn
Eagle Mountain	EIA submission confirmed; Guyana EPA response	EIA not submitted within one quarter of guidance date; EPA rejection; or management withdraws project timeline guidance without replacement
Nicaragua	Government statements on mining; concession renewal status	Any formal government action against San Albino licence
Related-Party Transactions	All disclosures in quarterly MD&A	Any transaction where minority shareholders bear cost without proportionate benefit
Balance Sheet	Cash vs. project commitments (USD)	Cash below US\$25M with no committed credit and active development capex
Share Count	Diluted share count quarterly; option/warrant exercises	Issuance > 5% annually without identifiable asset rationale
Gold Price	Spot gold vs. US\$4,500/oz base assumption	Sustained gold below US\$2,000/oz for more than 6 months

APPENDIX A. KEY FINANCIAL DATA

Consolidated Financial Summary (All figures in US dollars)

Metric	FY2022	FY2023	FY2024	9M 2025	Q4 2025*	FY2025E
Revenue (US\$M)	63.4	65.9	92.1	98.1	~50.0	~148
Gross Profit (US\$M)	9.8	22.8	46.4	45.2	n/a	n/a
Gross Margin %	15.5%	34.6%	50.4%	46.1%	n/a	n/a
Adj. EBITDA (est., US\$M)	12.8	23.8	37.9	n/a	n/a	~62-68
TTM Adj. EBITDA (US\$M)	-	-	-	-	-	~60.8†
Net Income / (Loss) (US\$M)	(12.0)	6.8	19.2	19.4	n/a	n/a
Operating Cash Flow (US\$M)	16.4	12.5	34.4	31.0	n/a	n/a
Capex (approx., US\$M)	(8.8)	(4.8)	(12.9)	(9.6)	n/a	n/a
Free Cash Flow (OCF-Capex, US\$M)	7.6	7.7	21.6	21.4	n/a	n/a
Gold Sold (Koz)	36.9	34.7	39.0	~30.1	~11.6	~41.7
Avg. Realized Price (US\$/oz)	1,718	1,900	2,361	n/a	~4,313	n/a
Cash Cost (US\$/oz)	840	825	980	n/a	n/a	n/a
AISC (US\$/oz)	1,149	1,156‡	1,371	n/a	n/a	n/a

* Q4 2025 per January 2026 operating update (record quarter). † TTM Adj. EBITDA through Sep 30, 2025 per Feb 2026 corporate presentation (US\$60.8M). ‡ FY2023 consolidated AISC; San Albino standalone FY2023 AISC was US\$817/oz. Adj. EBITDA = company-reported non-IFRS figures from corporate presentations; not audited IFRS figures. FCF = OCF minus capex (approximate). All monetary figures USD.

Capital Structure (February 4, 2026)

Item	Detail (USD unless noted)
Shares Outstanding	87.5M
Options Outstanding	1.7M at avg. C\$3.25 strike
RSUs Outstanding	1.1M
DSUs Outstanding	0.4M
Fully Diluted (approx.)	~90.7M

Item	Detail (USD unless noted)
Cash & Receivables (Dec 31, 2025)	US\$78.1M
Long-Term Debt	Zero (Wexford loan repaid Oct 28, 2025)
Major Shareholder	Wexford Capital LP: ~48%
Market Cap (Mar 12, 2026)	C\$861.9M (US\$633.7M at 1.360)
Enterprise Value	~US\$555.6M (~C\$755.6M at 1.360)
EV / EBITDA (TTM adj.)	~9.1x (US\$555.6M ÷ US\$60.8M TTM adj. EBITDA)
52-Week Range (TSX-V)	C\$3.70 - C\$11.59
52-Week Change	+147%

Asset-Level Resource Summary (NI 43-101 Technical Reports Only)

Asset	Category	Quantity / Grade	Gold Ounces	Silver Oz	Report Date
San Albino (open pit diluted)	M&I	11.61 g/t Au (fully diluted)	250,200 oz Au M&I (670,100t @ 11.61 g/t, fully diluted open-pit basis)	-	Oct 2023
Moss Mine	M&I	57.0Mt @ 0.35 g/t Au	646,000 oz	-	Jan 2026
Eagle Mountain	Indicated	n/a @ 1.18 g/t Au	1,200,000 oz	-	Jan 2024 PEA
Eagle Mountain	Inferred	n/a @ 0.98 g/t Au	582,000 oz	-	Jan 2024 PEA
Mt. Hamilton	M&I	29.09M short tons @ 0.020 oz/t Au	578,000 oz	4,839,000 oz	Sep 23, 2025
Mt. Hamilton	Inferred	n/a	21,000 oz	n/a	Sep 23, 2025

CRITICAL DISCLOSURE: No NI 43-101 Mineral Reserves have been declared at any Mako Mining asset. All figures are Mineral Resource estimates only. Mineral resources are not mineral reserves and do not have demonstrated economic viability. Mako discloses that the production decision at San Albino was made without a feasibility study, with increased uncertainty and high risk of economic or technical failure. Source: respective NI 43-101 technical reports as cited.

APPENDIX B. EXPLORATION RESULTS & DISTRICT UPSIDE

Nicaragua District. Key Exploration Results (2024-2025)

The following results are drawn exclusively from official Mako Mining press releases and corporate presentations. Intercepts are reported as drilled lengths unless stated as estimated true width (ETW). No NI 43-101 resource has been assigned to El Golfo or Tiburon.

Target	Location / Concession	Selected Best Intercepts (2024-2025)	Extent Confirmed	Status
El Golfo	1 km SW of Las Conchitas; El Jicaró concession	74.90 g/t Au / 1.0m; 45.70 g/t Au / 0.95m; 18.34 g/t Au / 4.2m ETW	630m strike; 305m dip extent; open all directions	Active drilling 2025; no MRE yet
Las Conchitas	Within San Albino mine complex	82.55 g/t Au / 2.0m; 117.98 g/t Au / 1.7m (2024-2025 results)	Part of Oct 2023 MRE; underground target	Underground permit received Dec 2025; engineering and geotechnical activities advancing as of Jan 2026 update; first UG production guided for Q1 2026 - confirmation pending Q1 2026 operating results
San Albino UG	Depth extension below current open pit	2 adits planned; 150-250 tpd target; 6-year plan	Known deposit extended at depth	Underground permit received Dec 2025
Tiburon	New concession granted Nov 2024	No drilling results disclosed yet	3,605 ha; 25-year term	Early stage; targeting underway
San Albino District	~188 km ² ; 5 concessions; 28 km orogenic trend	US\$11.2M invested 2025; 67,253m RC + 7,280m DD	28 km identified mineralized strike	Systematic program ongoing

Source: Mako Mining press releases (2024-2025) and corporate presentations. ETW = estimated true width. All intercepts from official company disclosures; no independent verification by the author.

Eagle Mountain: Illustrative Gold-Price Optionality (Not Used in Core SOTP)

The January 2024 PEA was calculated at US\$1,850/oz gold. The following sensitivity analysis holds operating cost assumptions constant at PEA levels (approximately US\$950/oz operating cost) and illustrates economic leverage at current gold prices. These are author estimates, not a formal re-run of the PEA model.

Gold Price (US\$/oz)	Est. Gross Margin/oz	Annual Production (PEA est.)	Est. Annual Gross Margin	Post-Tax NPV5 Sensitivity (illustrative)
US\$1,850 (PEA base)	~US\$900/oz	60+ Koz/yr	~US\$54M	US\$292M (PEA published Jan 2024)
US\$2,500	~US\$1,550/oz	60+ Koz/yr	~US\$93M	~US\$450-500M (est.)
US\$4,500 (this report base)	~US\$3,550/oz	60+ Koz/yr	~US\$213M	~US\$950M-US\$1.1B (est.)
US\$5,500 (bull case)	~US\$4,550/oz	60+ Koz/yr	~US\$273M	~US\$1.2B+ (est.)

IMPORTANT: These sensitivities are author estimates using simplified linear scaling from the published PEA; they are NOT a re-run of PEA economics and should not be relied upon as investment advice. Eagle Mountain remains a PEA-stage project. Full project economics depend on EIA approval, permitting, mine design, detailed capital cost estimates, and financing terms not yet determined. Source: PEA, Eagle Mountain Gold Project, January 16, 2024.

DISCLAIMER

This report is provided for informational and educational purposes only. It does not constitute investment advice, a recommendation, or an offer to buy or sell any security. The author may or may not hold positions in the securities discussed. Past performance is not indicative of future results. All investments carry risk, including the risk of permanent capital loss. Mining investments carry elevated geological, operational, political, environmental, and jurisdiction-specific risks. Investors should conduct their own due diligence and consult with qualified financial advisors before making investment decisions. All financial data sourced from Mako Mining Corp. public filings (Q4 2022-Q4 2024 MD&As and financial statements; Q3 2025 financial statements), corporate presentations (November 2025, February 2026), press releases and operating updates (including the January 2026 Q4 2025 operating update), Goldsource Mines and Mt. Hamilton acquisition materials, NI 43-101 technical reports cited herein, and Yahoo Finance (market data as of March 12, 2026 market close only). No non-public or proprietary data has been used. Currency: all figures are in US dollars (USD) unless explicitly labelled C\$ (Canadian dollars); exchange rate 1 USD = 1.360 CAD used consistently throughout. Gold price assumption of US\$4,500/oz is the base-case valuation input only; actual future gold prices will differ and no price forecast is implied. Market price and valuation multiples as of market close March 12, 2026 (TSX-V). Sifter Research is an independent equity research publication and is not registered as an investment adviser.