

**FORACO INTERNATIONAL S.A.**

**MANAGEMENT'S DISCUSSION & ANALYSIS**

**Three-month and six-month periods ended June 30, 2025**



# **FORACO INTERNATIONAL S.A.**

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

The following Management's Discussion and Analysis ("MD&A") relates to the results of operations, liquidity, and capital resources of Foraco International S.A. ("Foraco" or the "Company"). This report has been prepared by Management and should be read in conjunction with the Company's unaudited condensed interim consolidated financial statements for the three-month and six-month periods ended June 30, 2025, including the notes thereto. These quarterly unaudited interim financial statements were prepared in accordance with International Financial Reporting Standards ("IFRS"). Following the decision taken by the Accounting Standards Board, IFRS became the accounting standards for all issuers in Canada on January 1, 2011. The Company adopted IFRS and made an explicit and unreserved statement that its consolidated financial statements comply with IFRS in 2004.

Except as otherwise stated in Note 2 to the unaudited interim condensed consolidated financial statements, these quarterly unaudited condensed interim consolidated financial statements were prepared using accounting policies and methods consistent with those used in the preparation of the Company's audited consolidated financial statements for the year ended December 31, 2024. Except when otherwise stated, all amounts presented in this MD&A are denominated in US Dollars ("US\$"). The discussion and analysis within this MD&A are as at July 30, 2025.

### **Caution concerning forward-looking statements**

This document may contain "forward-looking statements" and "forward-looking information" within the meaning of applicable securities laws. These statements and information include estimates, forecasts, information, and statements as to Management's expectations with respect to, among other things, the future financial or operating performance of the Company and capital and operating expenditures. Often, but not always, forward-looking statements and information can be identified using words such as "may", "will", "should", "plans", "expects", "intends", "anticipates", "believes", "budget", and "scheduled" or the negative thereof or variations thereof or similar terminology. Forward-looking statements and information are necessarily based upon a number of estimates and assumptions that, while considered reasonable by management, are inherently subject to significant business, economic and competitive uncertainties and contingencies. Readers are cautioned that any such forward-looking statements and information are not guarantees and there can be no assurance that such statements and information will prove to be accurate and actual results and future events could differ materially from those anticipated in such statements. Important factors that could cause actual results to differ materially from the Company's expectations are disclosed under the heading "Risk Factors" in the Company's Annual Information Form dated March 2, 2025, which is filed with the Canadian regulators on SEDAR ([www.sedar.com](http://www.sedar.com)). The Company expressly disclaims any intention or obligation to update or revise any forward-looking statements and information whether as a result of new information, future events or otherwise. All written and oral forward-looking statements and information attributable to Foraco or persons acting on our behalf are expressly qualified in their entirety by the foregoing cautionary statements.

**This MD&A is presented in the following sections:**

- **Business Overview**
- **Interim Consolidated Financial Highlights**
- **Results of Operations**
- **Seasonality**
- **Effect of Exchange Rates**
- **Liquidity and Capital Resources**
- **Related-Party Transactions**
- **Capital Stock**
- **Critical Accounting Estimates**
- **Non-IFRS Measures**
- **Litigation and claims**
- **Subsequent Events**
- **Risk Factors**

## **Business Overview**

Headquartered in Lunel, France, Foraco is a global provider of drilling services, maintaining a presence in 16 countries across five continents. As of June 30, 2025, the company had close to 1,800 employees and had a fleet of 255 drill rigs worldwide, offering a broad range of drilling services to its clients. The Company has developed and acquired significant expertise including proprietary drill rig design capabilities. Its global operations cater to a variety of industries, with an emphasis on long-term valuable commodities and water.

Foraco's strategy involves assisting its clients in exploring or managing their deposits throughout the entire life cycle, with particular emphasis on activities extending the lifespan of mines. The Company plans to persist in expanding its services worldwide, prioritizing stable jurisdictions, high-tech drilling services, and an optimal mix of commodities, including battery metals and gold. Foraco maintains a substantial presence in water-related drilling services. It is also gradually implementing advanced digital applications. The company anticipates achieving its strategic goals primarily through organic growth and targeted acquisitions.

Foraco is attentive to environmental, social, and governance (ESG) requirements. It has implemented a pragmatic and measurable approach to ESG, using quantitative KPIs to ensure maximum improvements and efficiencies.

## Interim Consolidated Financial Highlights

### Income Statement

(In thousands of US\$) (unaudited)	Three-month period ended June 30,		Six-month period ended June 30,	
	2025	2024	2025	2024
<b>Revenue</b>	<b>69,063</b>	<b>77,884</b>	<b>124,073</b>	<b>154,973</b>
<b>Gross profit (1)</b>	<b>14,126</b>	<b>17,916</b>	<b>21,855</b>	<b>34,728</b>
<i>As a percentage of sales</i>	<i>20.5%</i>	<i>23.0%</i>	<i>17.6%</i>	<i>22.4%</i>
<b>EBITDA</b>	<b>14,005</b>	<b>16,391</b>	<b>21,031</b>	<b>33,964</b>
<i>As a percentage of sales</i>	<i>20.3%</i>	<i>21.0%</i>	<i>17.0%</i>	<i>21.9%</i>
<b>Operating profit</b>	<b>9,689</b>	<b>12,116</b>	<b>12,583</b>	<b>24,740</b>
<i>As a percentage of sales</i>	<i>14.0%</i>	<i>15.6%</i>	<i>10.1%</i>	<i>16.0%</i>
<b>Net profit for the period</b>	<b>6,015</b>	<b>7,809</b>	<b>7,042</b>	<b>16,273</b>
Attributable to:				
Equity holders of the Company	6,336	7,760	7,880	16,606
Non-controlling interests	(321)	49	(838)	(333)
<b>EPS (in US cents)</b>				
Basic	6.43	7.87	7.99	16.84
Diluted	6.34	7.70	7.87	16.48

(1) includes amortization and depreciation expenses related to operations.

### Three-month period ended June 30, 2025 – Q2 2025

#### Revenue

- Total revenue in Q2 2025 was US\$69.1 million, compared to US\$77.9 million in Q2 2024. At constant exchange rates, revenue decreased by US\$5.8 million. Asia Pacific and EMEA delivered growth, with revenue increasing by US\$5.7 million at constant exchange rates, while North and South America declined by US\$11.0 million mainly due to the discontinuation of certain client programs and delays in starting new contracts.
- Mining activity was the most impacted by the factors mentioned above, partially offset by a US\$3.0 million increase in Water activity.

#### Profitability

- Gross margin for Q2 2025, including depreciation within cost of sales, was US\$14.1 million (20.5% of revenue), compared to US\$17.9 million (23.0% of revenue) in Q2 2024. The decrease was mainly driven by the phasing and ramp-up of new contracts which are typically associated with lower margins, and by one-off costs (US\$1.0 million) related to a reorganization in South America.
- During the quarter, EBITDA amounted to US\$14.0 million (or 20.3% of revenue) compared to US\$16.4 million (or 21.0% of revenue) in the previous year.
- Net profit for the quarter amounted to US\$6.0 million (9% of the revenue) compared to US\$7.8 million (10% of revenue) in Q2 2024.

## Six-month period ended June 30, 2025 – H1 2025

### *Revenue*

- For the six-month period ending June 30, 2025 (H1 2025), the revenue amounted to US\$124 million compared to US\$155 million in H1 2024.

### *Profitability*

- In H1 2025, the gross margin, inclusive of depreciation within cost of sales, was US\$21.9 million (or 18% of revenue), compared to US\$34.7 million (or 22% of revenue) in H1 2024.
- During H1, EBITDA amounted to US\$21.0 million (or 17.0% of revenue), compared to US\$34 million (or 21.9% of revenue) for the same period last year.
- Free Cash Flow for the period was negative at US\$7.1 million, primarily due to working capital needs and capital expenditures required to support the mobilization of new contracts.

### *Net debt*

- As of June 30, 2025, net debt, including the impact of IFRS 16, was US\$76.5 million, US\$69.5 million at constant exchange rates compared to US\$78.7 million as of June 30, 2024.

## **Results of Operations**

### ***Comparison of the three-month periods ended June 30, 2025, and June 30, 2024***

### *Revenue*

The following table provides a breakdown of the Company's revenue for Q2 2025 and Q2 2024 by reporting segment and geographic region:

(In thousands of US\$) - (unaudited)	<u><b>Q2 2025</b></u>	<u><b>% change</b></u>	<u><b>Q2 2024</b></u>
<u><b>Reporting segment</b></u>			
Mining.....	57,479	-17%	69,316
Water.....	<u>11,584</u>	<u>35%</u>	<u>8,568</u>
<b>Total revenue</b> .....	<u><b>69,063</b></u>	<u><b>-11%</b></u>	<u><b>77,884</b></u>
<u><b>Geographic region</b></u>			
Asia Pacific.....	24,637	11%	22,190
North America.....	25,273	-21%	32,129
South America.....	11,325	-38%	18,255
Europe, Middle East and Africa .....	<u>7,828</u>	<u>47%</u>	<u>5,310</u>
<b>Total revenue</b> .....	<u><b>69,063</b></u>	<u><b>-11%</b></u>	<u><b>77,884</b></u>

Revenue in Q2 2025 was US\$69.1 million, compared to US\$77.9 million in Q2 2024. At constant exchange rates, revenue decreased by US\$5.8 million.

Activity in North America declined by 21% to US\$25.3 million in Q2 2025, compared to US\$32.1 million in Q2 2024. This decrease was primarily driven by the discontinuation of certain client programs and delays in starting new contracts.

Asia Pacific delivered growth with revenue reaching US\$24.7 million, up 11% compared to Q2 2024. This strong performance reflects the ongoing success of operations and the continued commissioning of new proprietary rigs.

Revenue in South America was US\$11.3 million, compared to US\$18.2 million in Q2 2024. In Chile and Argentina, the Company started new long-term contracts during the quarter, which are currently in the mobilization and learning curve phases, impacting both revenue and margins. In Brazil, operations were affected by disruptions in the mobilization process caused by client-driven delays.

In the EMEA region, revenue was US\$7.8 million in Q2 2025, compared to US\$5.3 million in Q2 2024. Revenue in Africa and Europe grew by 47%, supported by the start of contracts that are significant for the region.

Overall, rig utilization rate in Q2 2025 was 35% compared to 40% in Q2 2024.

### *Gross Profit*

The following table provides a breakdown of the Company's gross profit by reporting segment for Q2 2025 and Q2 2024:

(In thousands of US\$) - (unaudited)	<u>Q2 2025</u>	<u>% change</u>	<u>Q2 2024</u>
<u>Reporting segment</u>			
Mining.....	10,336	-33%	15,396
Water .....	<u>3,790</u>	<u>50%</u>	<u>2,520</u>
<b>Total gross profit .....</b>	<b><u>14,126</u></b>	<b><u>-21%</u></b>	<b><u>17,916</u></b>

The Q2 2025 gross margin, including depreciation within cost of sales, was US\$14.1 million (20.5% of revenue), or US\$15.1 million (21.9% of revenue) when excluding one-off costs, compared to US\$17.9 million (23.0% of revenue) in Q2 2024. The decline in the mining segment's gross margin was primarily due to the phasing and ramp-up of new contracts, which are typically associated with lower initial margins. In contrast, gross profit in the water segment was supported by the deployment of new proprietary rigs on long-term contracts.

### *Selling, General and Administrative Expenses*

The following table provides an analysis of the selling, general and administrative expenses (SG&A):

(In thousands of US\$) - (unaudited)	<u>Q2 2025</u>	<u>% change</u>	<u>Q2 2024</u>
Selling, general and administrative expenses	4,726	-19%	5,800

SG&A expenses were reduced by 19% versus the prior-year quarter. As a percentage of revenue, SG&A improved to 6.8% from 7.4% in Q2 2024.

### *Operating result*

The following table provides a breakdown of the Company's operating result for Q2 2025 and Q2 2024 by reporting segment:

(In thousands of US\$) - (unaudited)	<u>Q2 2025</u>	<u>% change</u>	<u>Q2 2024</u>
<u>Reporting segment</u>			
Mining .....	6,692	-35%	10,234
Water .....	<u>2,997</u>	<u>59%</u>	<u>1,882</u>
<b>Total operating profit .....</b>	<b><u>9,689</u></b>	<b><u>-20%</u></b>	<b><u>12,116</u></b>

The operating profit was US\$9.7 million compared to US\$12.1 million in the same quarter last year.

Foraco sold its 50% stake in its Kazakh subsidiary, Eastern Drilling Company LLP, generating a net gain of US\$289 thousand, which was recorded under "Other Operating Income" in the Company's consolidated financial statements for Q2 2025.

### Finance costs

Net financial expenses were US\$1.5 million in Q2 2025, compared to US\$1.9 million in Q2 2024.

### Income tax

The income tax expense is recognized based on Management's best estimate of the average annual income tax rate expected for the full financial year on a tax jurisdiction by tax jurisdiction basis. In Q2 2025, corporate income tax expense amounted to US\$2.2 million, down from US\$2.4 million in the same period of the previous year.

### Comparison of the six-month periods ended June 30, 2025 and June 30, 2024

#### Revenue

The following table provides a breakdown of the Company's revenue for H1 2025 and H1 2024 by reporting segment and geographic region:

(In thousands of US\$) - (unaudited)	<u>H1 2025</u>	<u>% change</u>	<u>H1 2024</u>
<u>Reporting segment</u>			
Mining.....	101,217	-27%	138,363
Water.....	<u>22,856</u>	<u>38%</u>	<u>16,610</u>
<b>Total revenue</b> .....	<b><u>124,073</u></b>	<b><u>-20%</u></b>	<b><u>154,973</u></b>
<u>Geographic region</u>			
Asia Pacific.....	45,030	22%	36,861
North America.....	43,372	-27%	59,151
South America.....	21,443	-51%	43,830
Europe, Middle East and Africa.....	<u>14,228</u>	<u>-6%</u>	<u>15,130</u>
<b>Total revenue</b> .....	<b><u>124,073</u></b>	<b><u>-20%</u></b>	<b><u>154,973</u></b>

H1 2025 revenue totaled US\$124.1 million, down from US\$155 million in H1 2024.

In Asia Pacific, the Company's first-largest revenue contributor, H1 2025 revenue amounted to US\$45.0 million, marking the best first half ever with a 22% increase compared to H1 2024. This growth is primarily attributable to successful operations and the commissioning of new proprietary rigs.

North America, the Company's second revenue contributor region, declined by 27%. The decrease was primarily due to the discontinuation of certain client programs and delays in starting new contracts.

Revenue in South America totaled US\$21.4 million in H1 2025, down 51% from US\$43.8 million in H1 2024. In Chile and Argentina, the Company started new long-term contracts during the period, which are currently in the mobilization and learning curve phases, impacting both revenue and margins. In Brazil, the Company was impacted by disruption in the mobilization process due to client-driven delays.

In the EMEA region, revenue slightly decreased by US\$0.9 million compared to H1 2024. Excluding the exit from CIS and certain West African countries, the revenue increased by US\$4.1 million (41%).

## Gross Profit

The following table provides a breakdown of the Company's gross profit by reporting segment for H1 2025 and H1 2024:

(In thousands of US\$) - (unaudited)	<u>H1 2025</u>	<u>% change</u>	<u>H1 2024</u>
<u>Reporting segment</u>			
Mining .....	14,376	-53%	30,842
Water .....	<u>7,479</u>	<u>92%</u>	<u>3,886</u>
<b>Total gross profit .....</b>	<b><u>21,855</u></b>	<b><u>-37%</u></b>	<b><u>34,728</u></b>

The H1 2025 gross margin including depreciation within cost of sales was US\$21.9 million (or 17.6% of revenue) compared to US\$34.7million (or 22.4% of revenue) in H1 2024.

## Selling, General and Administrative Expenses

The following table provides an analysis of the selling, general and administrative expenses (SG&A):

(In thousands of US\$) - (unaudited)	<u>H1 2025</u>	<u>% change</u>	<u>H1 2024</u>
Selling, general and administrative expenses	9,561	-21%	12,099

SG&A decreased 21% compared to last year. As a percentage of revenue, SG&A remained stable at approximately 7.8% of revenue.

## Operating result

The following table provides a breakdown of the Company's operating result for H1 2025 and H1 2024 by reporting segment:

(In thousands of US\$) - (unaudited)	<u>H1 2025</u>	<u>% change</u>	<u>H1 2024</u>
<u>Reporting segment</u>			
Mining .....	6,887	-69%	22,149
Water .....	<u>5,696</u>	<u>120%</u>	<u>2,591</u>
<b>Total operating profit .....</b>	<b><u>12,583</u></b>	<b><u>-49%</u></b>	<b><u>24,740</u></b>

The H1 2025 operating profit was US\$12.6 million compared to US\$24.7 million in H1 2024.

On May 22, 2025, Foraco sold its 50% stake in its Kazakh subsidiary, Eastern Drilling Company LLP, generating a net gain of US\$289 thousand, which was recorded under "Other Operating Income" in the Company's consolidated financial statements for H1 2025.

## Finance costs

Net financial expenses were US\$3.0 million in H1 2025, compared to US\$3.6 million in H1 2024.

## Income tax

In H1 2025, the corporate income tax expense was US\$2.5 million, compared to US\$4.8 million in the previous year. This figure was calculated using management's best estimate of the annual average income tax rate for the full financial year, determined on a jurisdiction-by-jurisdiction basis.



## Seasonality

The worldwide presence of the Company reduces its overall exposure to seasonality and the influence this can have on the business activity. In Canada, seasonal slow periods occur during the winter freeze and spring thaw or break-up periods. Depending on the latitude, this can occur anytime from October until late December (freezing) and from mid-April through to mid-June (break-up). Operations at mining sites continue throughout the year. In Asia Pacific and in South America, where the Company operates exclusively in the Mining segment, a seasonal slowdown in activity occurs around year-end, during the vacation period. In Chile, certain contracts are also affected in July and August, when the winter season peaks.

## Effect of Exchange Rates

The Company's operations span across a vast array of countries, each with their own functional currencies such as, Euros, Canadian Dollars, Australian Dollars, Chilean Pesos, and Brazilian Reals. The US Dollar has been adopted as the presentation currency for group reporting purposes. Over recent quarters, the US Dollar has experienced significant fluctuations in its value. This volatility has an impact on the Company's financial statements, due to the currency conversion required for financial reporting purposes.

The Company mitigates its net exposure to foreign currency fluctuations by balancing its costs, revenues and financing in local currencies, resulting in a natural hedge.

The exchange rates against the US Dollar for the periods under review are as follows:

	Average Q2 2025	Average Q2 2024	Average Q1 2025	Average Q1 2024	Closing Q2 2025	Closing Q4 2024
€	0.88	0.93	0.95	0.92	0.85	0.96
CAD	1.38	1.37	1.44	1.35	1.37	1.44
AUD	1.56	1.52	1.59	1.52	1.53	1.61
CLP	946	933	964	946	939	993
BRL	5.67	5.21	5.86	4.95	5.48	6.19

## Liquidity and Capital Resources

The following table provides a summary of the Company's cash flows for H1 2025 and H1 2024:

(In thousands of US\$)	<u>H1 2025</u>	<u>H1 2024</u>
<b>Cash generated by operations before working capital requirements</b>	<b>21,032</b>	<b>33,964</b>
Working capital requirements	(7,893)	(23,497)
Income tax paid	(7,565)	(6,264)
Purchase of equipment in cash	(9,777)	(9,978)
<b>Free Cash Flow before debt servicing</b>	<b>(4,203)</b>	<b>(5,775)</b>
Proceeds from / (repayment of) debt	2,894	1,796
Interests paid	(2,877)	(3,931)
Acquisition of treasury shares	(721)	(556)
Deconsolidation of EDC Russia & Kazakhstan	(5)	(2,076)
Dividends paid to non-controlling interests	-	(330)
<b>Net cash generated / (used in) financing activities</b>	<b>(709)</b>	<b>(5,097)</b>
<b>Net cash variation</b>	<b>(4,912)</b>	<b>(10,872)</b>
Foreign exchange differences	1,325	(1,458)
<b>Variation in cash and cash equivalents</b>	<b><u>(3,588)</u></b>	<b><u>(12,330)</u></b>
<b>Cash and cash equivalents at the end of the period</b>	<b><u>20,775</u></b>	<b><u>21,959</u></b>

In H1 2025, the cash generated from operations before working capital requirements amounted to US\$21.0 million compared to US\$33.9 million in H1 2024.

During the same period, working capital requirements were US\$7.9 million, a decrease compared to the same period last year, primarily driven by tightened control on working capital management and the reduction in activity.

During the period, Capex totaled US\$9.8 million in cash compared to US\$10.0 million in H1 2024. Capex primarily relates to new rigs, and the acquisition of ancillary equipment and rods to support new contracts.

As at June 30, 2025, the maturity of financial debt can be analyzed as presented in the table below:

<i>In thousands US\$</i>	<b>June 30, 2025</b>	<b>June 30, 2024</b>
Credit lines	14,198	10,491
Long-term debt		
Within one year	14,106	13,005
Between 1 and 2 years	13,173	11,882
Between 2 and 3 years	49,109	47,999
Between 3 and 4 years	727	11,405
Between 4 and 5 years	207	167
<b>Total</b>	<b>91,520</b>	<b>99,949</b>
IFRS 16	5,797	5,699
Cash	(20,775)	(21,959)
<b>Net Debt</b>	<b>76,542</b>	<b>78,690</b>

As at June 30, 2025, cash and cash equivalents totaled US\$20.8 million compared to US\$24.4 million as at December 31, 2024. Cash and cash equivalents are mainly held at or invested within top tier financial institutions.

As at June 30, 2025, the net debt including operational lease obligations (IFRS 16) was US\$76.5 million (US\$60.9 million as at December 31, 2024).

#### *Cash Transfer Restrictions*

Foraco operates in several different countries where cash transfer restrictions apply. The Company limits its activities in countries where there are such restrictions. No excess cash is held in countries where cash transfer restrictions are in force.

#### **Related-Party Transactions**

For details of related party transactions, please refer to Note 14 of the unaudited condensed interim consolidated financial statements.

#### **Capital Stock**

As at June 30, 2025, the total common shares of the Company are distributed as follows:

	<b>Number of shares</b>
Common shares held directly or indirectly by principal shareholders	34,155,191
Common shares held directly or indirectly by Officers and individuals in their capacity as members of the Board of Directors	1,580,235
Common shares held by the Company	869,197
Common shares held by the public (*)	62,647,175
<b>Total shares issued and outstanding</b>	<b>99,251,798</b>
Common shares held by the Company	(869,197)
<b>Total common shares issued and outstanding</b>	<b>98,382,601</b>

*\*In the table above, the shares owned indirectly are presented as an amount corresponding to the pro rata of the ownership interest*

*\*\*869,197 common shares are held by the Company to meet the Company's obligations under the employee free share plan.*

#### **Critical Accounting Estimates**

The unaudited condensed interim consolidated financial statements have been prepared in accordance with IFRS. The Company's significant accounting policies are described in Note 2 to the Annual and unaudited condensed interim consolidated financial statements. As required by IAS 1, the depreciation of property, plant and equipment related to operations is included within cost of sales.

#### **Non-IFRS measures**

EBITDA represents Net income before interest expense, income taxes, depreciation, amortization and non-cash share based compensation expenses. EBITDA is a non-IFRS quantitative measure used to assist in the assessment of the Company's ability to generate cash from its operations. The Company believes that the presentation of EBITDA is useful to investors as this is frequently used by securities analysts, investors and other interested parties in the evaluation of companies in the drilling industry. EBITDA is not defined in IFRS and should not be considered as an alternative to Profit for the period or Operating profit or any other financial metric required by such accounting principles.

Net debt corresponds to the current and non-current portions of borrowings and the consideration of payables related to acquisitions, net of cash and cash equivalents. The Company's lease obligations are included in the net debt calculation.

Reconciliation of EBITDA is as follows:

(In thousands of US\$) ( <i>unaudited</i> )	<u>Q2 2025</u>	<u>Q2 2024</u>	<u>H1 2025</u>	<u>H1 2024</u>
Operating profit / (loss) .....	9,689	12,116	12,583	24,740
Depreciation expense .....	4,154	4,173	8,137	9,020
Non-cash employee share-based compensation .....	162	102	312	204
<b>EBITDA</b> .....	<b><u>14,005</u></b>	<b><u>16,391</u></b>	<b><u>21,031</u></b>	<b><u>33,964</u></b>

### Litigation and claims

Generally, the Company is subject to legal proceedings, claims and legal action arising in the ordinary course of business. The Company's Management does not expect the outcome of these matters to have a material adverse effect on either the Company's consolidated financial position, results of operations or cash flows.

### Subsequent Events

There are no significant post balance sheet events.

### Risk Factors

For a comprehensive discussion of the important factors that could impact the Company's operating results, please refer to the Company's Annual Information Form dated March 2, 2025, under the heading "Risk Factors", which has been filed with the Canadian regulators on SEDAR ([www.sedar.com](http://www.sedar.com)).