Ascot Resources Ltd.

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the year ended December 31, 2024

(Expressed in thousands of Canadian dollars, except where indicated)

Report date: March 24, 2025

This Management's Discussion and Analysis ("MD&A") of Ascot Resources Ltd. ("Ascot" or the "Company") is dated March 24, 2025 and should be read in conjunction with the Company's audited consolidated financial statements and the related notes for the year ended December 31, 2024, which were prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS® Accounting Standards"). Unless otherwise noted, all currency amounts are expressed in thousands of Canadian dollars. Additional information about the Company, including the audited financial statements and the notes thereto, for the year ended December 31, 2024, prepared in accordance with IFRS Accounting Standards, can be found on SEDAR+ at www.sedarplus.ca and on the Company's website at www.ascotgold.com.

DESCRIPTION OF THE BUSINESS

Ascot is a Canadian mining company focused on commissioning its 100%-owned Premier Gold Mine ("Premier"), which is located on Nisga'a Nation Treaty Lands, in the prolific Golden Triangle of northwestern British Columbia. On April 20, 2024, the first gold pour was achieved. The Company continued commissioning the processing plant throughout Q2 and Q3 2024. In August 2024, the plant processed ~ 2,300 tpd continuously for its 2 week operating schedule. However, the Company experienced delays in mine development in both Big Missouri ("BM") and Premier Northern Lights ("PNL") and decided to suspend the operation in early September 2024 until there is adequate ore feed to run the plant. In December 2024, the Company had started remobilizing the mining contractor and continued with underground mine development. The Company will continue to explore its properties for additional high-grade gold mineralization. Ascot's corporate office is in Vancouver, British Columbia and its shares trade on the TSX under the ticker AOT and on the OTCQX under the ticker AOTVF. Ascot is committed to the safe and responsible operation of the Premier Gold Mine in collaboration with Nisga'a Nation and the local communities of Stewart, BC and Hyder, Alaska.

The Silver Coin, Big Missouri, and Premier deposits, collectively named the Premier Gold Project ("PGP") are located near the processing facility on the historical Premier Mine site, and the Red Mountain Project ("RMP") is located 23 km to the southeast in an adjacent valley. PGP together with RMP is defined as the "Project".

The Company also has two other properties: Swamp Point, an aggregate mine in care and maintenance located in British Columbia on the Portland Canal, and Mt. Margaret, a porphyry copper-molybdenum-gold-silver deposit located in Washington State, USA.

2024 AND RECENT HIGHLIGHTS

- On February 20, 2024, the Company closed a financing package for a total of US$50 million from Sprott Resource Streaming and Royalty Corp. and its affiliates ("SRSR") and Nebari Credit Fund II, LP ("Nebari Credit Fund II"), as described in the Company's news release dated January 22, 2024. $13,700 of the above proceeds were used to buy back two existing 5% NSR royalties on various PGP property claims on March 15, 2024. Concurrently with the above-noted financing package, the Company closed a bought deal private placement financing, under which the Company issued a total of 65,343,000 common shares of the Company (the "Common Shares") at a price of $0.44 per Common Share, for gross proceeds of $28,751.

- At the end of Q1 2024, construction of the PGP mill and water treatment plant was substantially completed, and rock was introduced into the grinding circuit of the mill on March 31, 2024, and first gold-bearing ore was introduced to the mills on April 5, 2024. On April 20, 2024, first gold was poured as a part of the commissioning process. Commissioning of the plant continued throughout Q2 and Q3 2024. During Q2 and Q3 2024 before the suspension of operations, the plant processed 156,477 dry tonnes of mostly development ore in the commissioning of the mill. In August 2024, the mill processed, near its design capacity, over 2,300 tpd for its 14 days operating schedule continuously.

- On May 7, 2024, the Company announced a $5,000 non-brokered flow-through private placement, the proceeds of which will be used to fund the exploration program at PGP. The private placement consisted of 6,024,096 common shares of the Company, which qualify as "flow-through shares" within the meaning of the Income Tax Act

(Canada) (the "FT Shares"), at a price of C$0.83 per FT Share. The first tranche of $1,000 was closed on May 29 and the second tranche of $4,000 was closed on June 20, 2024.

- On July 25, 2024, the Company closed the previously announced bought deal financing, including the full exercise of the over-allotment option, for gross proceeds of approximately $34 million. The financing consisted of 30,242,000 flow-through units at a price of C$0.496 per flow-through unit and 44,188,000 hard dollar units of the Company (together, the "Offered Securities") of C$0.43 per hard dollar unit. Each Offered Security consisted of one common share of the company and one common share purchase warrant of the Company. Each warrant entitled the holder to acquire one share (each, a "Warrant Share") at a price of C$0.52 per Warrant Share for a period of 24 months following closing.

- On September 6, 2024, the Company made the decision to suspend operations due to delays in mine development that had hindered access to sufficient ore feed. The Company will focus on mine development until the combination of the Big Missouri and PNL mines can sustainably deliver enough ore feed to profitably run the operation.

- In 2024 before suspension of operations, the Company produced and sold 4,287 ounces of gold to the offtaker and delivered 441 ounces of gold and 7,541 ounces of silver pursuant to stream and royalty agreements. In 2024 before the suspension of operations, the Big Missouri deposit delivered 112,710 ore tonnes. Total mine development achieved 4,188 meters of which 3,308 metres related to Big Missouri and 880 metres relate to PNL.

- On September 19, 2024, the Company and its secured creditors, SRSR and Nebari agreed to extend the waiver arrangements until October 31, 2024. On October 29, 2024, the waivers were further extended to November 18, 2024.

- On November 18, 2024, the Company closed its previously announced "best-efforts" private placement offering (the "Equity Financing", and together with the Debt Financing, the "Financings") of common shares of the Company. The Company issued a total of 262,500,000 common shares at a price of C$0.16 per common share, for gross proceeds of approximately C$42 million. As part of the Financings, it closed the senior secured debt financing and amendments, including approximately US$7.5 million from SRSR. In addition, the Company's secured creditors, including SRSR and Nebari Gold Fund 1, LP, Nebari Natural Resources Credit Fund II, LP and Nebari Collateral Agent LLC (together "Nebari"), extended the waiver and forbearance agreements previously granted until May 31, 2025. The net proceeds of the Financings were used to advance the development of the Premier Northern Lights mine and restart the Big Missouri mine.

- Following the remobilization of the Company's mining contractor, the Company mobilized the underground mining equipment to site, established the underground ventilation, completed the initial rehabilitation with shotcrete to establish a heading for advancement of development and second egress for the PNL mine. It completed the first development round on December 13, 2024 and achieved a total of 74 meters of development by December 31, 2024.

- On January 15, 2025, the Company announced a leadership transition and the appointment of James A (Jim) Currie, new CEO and Director and interim COO and the appointment of Ms. Coille Van Alphen to the Board of Directors.

- The progress of PNL underground development was with slower advancement than anticipated. As a result, the timeline to re-start of mill operations has been revised and the ore throughput is anticipated to commence in August 2025. The delay in development will result in a working capital shortfall.

- On February 20, 2025, the Company entered into an agreement for a best-efforts private placement offering units of the Company at a price of C$0.115 per unit, to raise a minimum of C$60 million and up to a maximum of C$65 million ("2025 Offering"). On March 3, 2025, an amendment to the 2025 Offering was made. The 2025 Offering consist of: (i) hard dollar units of the Company (the "HD Units") at a price of $0.115 per HD Unit for gross proceeds of a minimum of C$40 million and up to a maximum of C$45 million; and (ii) charity flow-through units of the

Company (the "CDE FT Units", and collectively with the HD Units, the "Units") at a price of C$0.1403 per CDE FT Unit for gross proceeds of approximately C$20 million. Each Unit will be comprised of one common share of the Company and one Common Share purchase warrant of the Company (each, a "Warrant"). The Common Shares and Warrants underlying the CDE FT Units shall qualify as "flow-through shares" (within the meaning of subsection 66(15) of the Income Tax Act (Canada)). Each Warrant shall entitle the holder to acquire one non-flow-through Common Share at a price of C$0.155 per Common Share for a period of 24 months following the initial ("Tranche 1") closing date. The gross proceeds from the charity flow-through units will be used by the Company to incur eligible Canadian development expenses (within the meaning of the Income Tax Act (Canada) which will be incurred or deemed to be incurred and renounced to the purchasers of the CDE FT Units with an effective date no later than September 30, 2025.

- On March 14, 2025, the Company closed the first of two tranches of the 2025 Offering. The Tranche 1 closing consisted of 142,551,675 CDE FT Units at a price of C$0.1403 per CDE FT Unit and 191,435,095 HD Units at a price of C$0.115 per HD Unit for gross proceeds of $42,015. The second and final tranche of the 2025 Offering, pursuant to which the Company expects to issue an additional 162,000,000 HD Units at a price of C$0.115 per HD Unit for additional gross proceeds of $18,630, is anticipated to close on or about April 10, 2025.

- On March 14, 2025, SRSR and Nebari Gold Fund 1, LP, Nebari Natural Resources Credit Fund II, LP and Nebari Collateral Agent LLC agreed, pursuant to definitive agreements entered into with the Company, to extend their existing waiver and forbearance conditions until September 30, 2025. The Company also entered into an amending agreement to the amended and restated credit agreement with certain Nebari entities dated November 18, 2024, which amended the conversion price under the Convertible facility to C$0.155. The exercise price of the existing Nebari warrants was also amended to C$0.155. SRSR has committed to release the currently held US$7.5 million Second Stream Deposit from escrow upon achieving the agreed development and funding targets, consistent with the terms of the Company's amended and restated purchase and sale agreements, dated November 15, 2024, with SRSR.

OPERATIONAL RESULTS

Mining

In 2024, total lateral development was 4,188 metres, comprising 1,032 metres in development ore and 2,276 metres in waste at Big Missouri, and 880 metres of decline development at PNL. 112,710 tonnes of development ore material was mined from Big Missouri. The mine development improved in Q3 2024 yet it was below target. Mine development at Big Missouri was about one to two months behind schedule due to excessive underground water during spring freshet, underground electrical and ventilation requirements, and with the delay in the start of the PNL ramp from July to December 2023, mine development and production at PNL were also delayed.

In September prior to suspension of operations, PNL achieved an average rate of 5.1 metres per day. Although planned first development ore at PNL in September was on track, further development is required to access deeper ore than was initially planned, which will extend the timing to complete the development and ramp up of the PNL mine. After careful consideration, on September 6, 2024, the Board and management decided to suspend operations in order to enable sufficient mine development. The Company will focus on mine development until the combination of the Big Missouri and PNL mines can sustainably deliver enough ore feed to profitably run the operation.

In October, the mining contractor demobilized from the site, underground equipment and infrastructure at Big Missouri had been retrieved and protected from winter conditions. Soon after the financing closed on November 18, 2024, the mining contractors were re-mobilized to the site and started to re-establish the PNL portal infrastructure. On December

13, 2024, the Company completed its first development round for the recommencement of underground development at the PNL mine. Ventilation and heaters were commissioned. The egress drift auxiliary fan was also installed. The main decline and fifth level waters were successfully pumped out, thus creating new headings for development. A total of 74 meters of capital development was achieved in December as compared to 71 meters in the re-start plan. There were no re-blasting development rounds leading to the monthly achievements as planned.

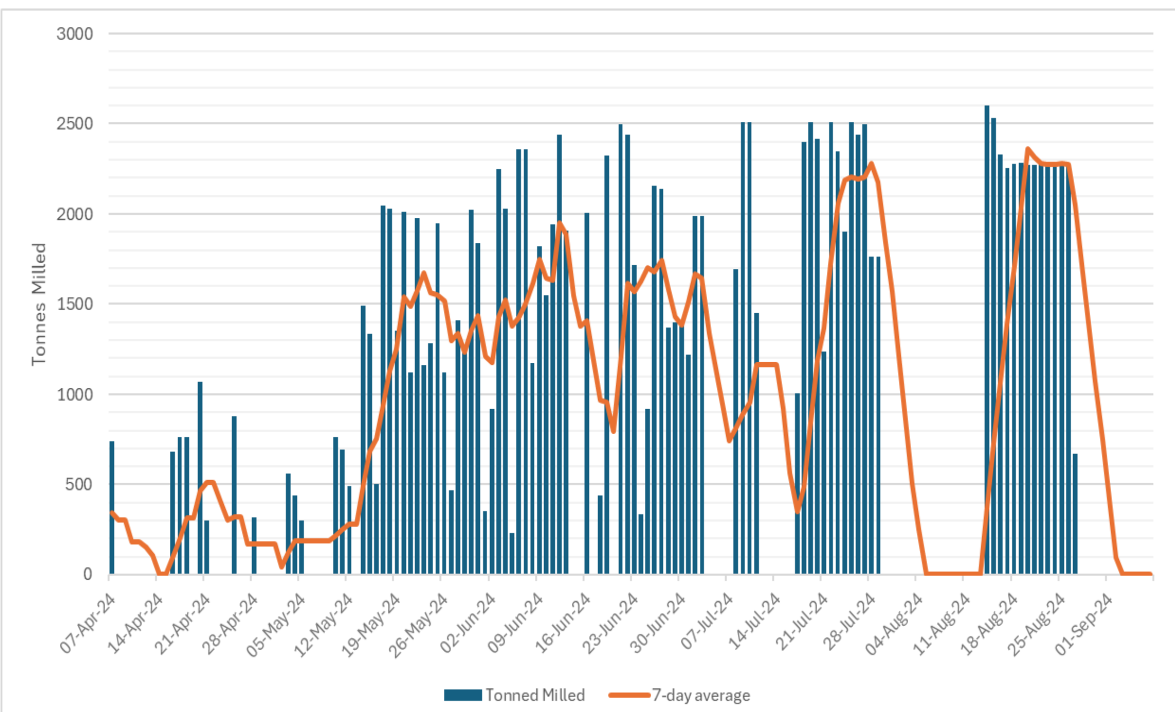
The Company continues to focus on mine development before the plant restarts in Q3 2025.

Milling

Commissiong of the mill commenced on March 31, 2024 with first rock introduced to the grinding circuit and first gold-bearing ore was introduced to the mill on April 5, 2024. On April 20, 2024, first gold was poured as a part of the commissioning process. Before the plant was placed into care and maintenance on September 6, 2024, the plant had shown an ability to operate for several days at its design capacity in terms of tonnage throughput in the crushing and grinding circuit. In order to overcome commissioning challenges and reduce fixed costs at the processing plant, the Company implemented a two weeks on and two weeks off operating strategy in late July 2024. During the two weeks off period, major maintenance activities were performed to allow the plant to operate continuously for its two weeks on schedule. Key commissioning issues have been resolved, including gravity circuit, elution circuit and thickener floc system. The average throughput for the two weeks operating schedule in August was ~2,300 tpd.

In 2024 prior to suspension of operations on September 6th, the plant processed a total of 156,477 dry tonnes of materials from a combination of Big Missouri development ore, stoping ore and surface stockpile material. A total of 4,728 ounces of gold and 11,441 ounces of silver were poured in 2024. As soon as the mine development required for sufficient ore feed is completed, the mill operation will resume.

<u>2024 Daily Tonnes Milled</u>



Note: the plant was shut down from July 30 to August 13, 2024 for major maintenance as part of the two weeks on and two weeks off operating strategy. Since September 6, 2024, the plant was placed into care and maintenance and will be until the planned restart in Q3 2025.

In Q4 2024, carbon was pulled out of circuit and stripped to recover gold on carbon. Activities in the plant were focused on Carbon- In-Leach ("CIL") tanks clean up and checks and inspections of all equipment and infrastructure.

Permitting and Environmental Compliance

A Joint Permit Amendment Application ("JPAA") was required to be re-aligned with the project completion dates and was submitted in October 2023. The draft updated Mines Act Permit (M-179) was issued in November for review. Comments from Ascot were submitted in early January 2025. Final permit was issued on February 7, 2025. In connection with the updated M-179 permit, the Company was required post an additional $9.7 million reclamation bond by March 31, 2025. The Company has requested the amendment of the additional reclamation bond posting schedule to March 31, 2026 for an amount of $3 million and December 31, 2026 for an amount of $6.7 million. The regulator is reviewing the amendment request and acceptance is expected by the end of March 2025.

The updated environmental permit PE-8044 was issued on November 5, 2024.

An air permit amendment (Authorization #110103) was submitted in September 2024 to address reduced monitoring requirements during the temporary shutdown of the site. This submission was amended in November to include an extension for the temporary crusher and reclaim feeder.

A care and maintenance plan, to address the temporary shutdown period, was submitted to Ministry of Energy, Mines and Low Carbon Innovation ("EMLI") now Ministry of Mining and Critical Minerals ("MCM"), Ministry of Environment and Climate Change Strategy ("ENV"), and Nisga'a Lisims Government ("NLG") on November 7, 2024.

The Moving Bed Bio-Reactor ("MBBR") underwent challenges in October/November due to a process upset, but was commissioned by the end of Q4 with concentrations of ammonia, nitrite and nitrate within design ranges and flows continuing to ramp up. Flow rate through the MBBR is currently at 145 m^3/hr.

The High-Density Sludge ("HDS") plant continues to be challenged to meet discharge limits for Total Zinc and Total Suspended Solids (TSS) due to continued issues with the clarifier and sludge management systems. Operators at the Water Treatment Plant with design engineer contractor continue to evaluate options to address these issues.

2024 EXPLORATION PROGRAM

The data from the 2024 drill program has been integrated in the geological model for Big Missouri. The models of the mineralized domains, the breccia model and the dyke model have been updated with the new data. This exercise concludes the 2024 exploration program. Subsequent to the completion of this task, the team shifted its focus to formulate a high-level plan for 2025. There are several areas that can be targeted in the next program. The periphery of all five deposits on the Premier property have potential for continuations along strike and down dip. Each deposit contains resources in the inferred category that can be upgraded to the indicated category with additional drilling and will then be available for inclusion in future mine planning.

The exploration team will focus on three areas with exciting growth potential that have been highlighted previously by induced polarization geophysics. These areas are the Sebakwe zone to the north of the Premier mine, the northern extension of the Day Zone at the Big Missouri deposit and a very exciting geophysical target to the west of the Dilworth deposit. These three areas cover a strike length of nearly 3,000m with significant potential for resource addition. The team is in the process of developing several scenarios from which a program of appropriate size can be designed.

Technical Information

James A. (Jim) Currie, P.Eng., Chief Executive Officer of the Company is the Company's Qualified Person (QP) as defined by National Instrument 43-101 and has reviewed and approved the technical contents of this MD&A.

MANAGEMENT'S OUTLOOK FOR 2025

After the announcement of temporary suspension of operations in early September 2024, the key activities for the remainder of 2024 included the remobilization of the mining contractor and recommencement of underground development at PNL.

In 2025, the Company intends to transition from the construction of the mine and related infrastructure to the operation of the entire site, achieve steady state production and to become a gold producer. The key priorities include:

- Continue with developing a comprehensive plan to accelerate mine development at PNL and ensure a successful restart of production in Q3 2025 along with ensuring sufficient funding for the underground development and working capital.
- Achieving steady state production and operating in the manner as intended by management in Q4 2025.
- In order to operate the processing plant at 2,400 tpd (100 tph) the company needs to complete the mine development of PNL, ensuring that it, in conjunction with Big Missouri production, supplies sufficient mill feed to the processing plant. Management is addressing this by developing over 6m per day on average at PNL continuously with anticipation of breakthrough to the Prew ore zone, when rates are expected to increase with multiple headings.
- Completing various environmental initiatives to ensure compliance with the Mine's environmental permits.

SUMMARY OF RESULTS

Operations

The consolidated financial statements of the Company, to which this MD&A relates, have been prepared in accordance with IFRS Accounting Standards. The following table was prepared based on the Company's consolidated financial statements for the fiscal periods noted:

Selected financial data (C$000)	Year ended December 31, 2024	Year ended December 31, 2023	Year ended December 31, 2022
Employee salaries & benefits and management fees	2,694	3,476	3,490
Legal and professional services	1,827	1,072	766
Office and administration expenses	356	384	350
Promotion and shareholders costs	320	471	474
Stock-based compensation	1,682	3,085	5,490
Environmental compliance costs	157	1,830	438
Insurance	331	325	256
Net loss	(31,508)	(10,430)	(10,808)
Loss per share - basic and diluted	$ (0.05)	$ (0.02)	$ (0.03)
Total assets	842,097	630,388	379,096

Key financial results for the last eight quarters are provided in the table below:

C$000	Q4 2024	Q3 2024	Q2 2024	Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023
Mineral property, plant & equipment cost capitalized	36,310	54,831	53,712	84,653	74,650	53,515	41,843	43,274
G & A expense	707	1,334	2,104	1,686	1,945	1,936	1,971	1,966
Stock-based compensation	358	406	384	534	1,896	322	393	474
Net income (loss)	(17,018)	(11,232)	2,950	(6,208)	1,705	(1,473)	(3,073)	(7,589)
Loss per share - basic and diluted	(0.05)	$ (0.02)	$ 0.00	$ (0.01)	$ 0.00	$ (0.00)	$ (0.01)	$ (0.01)

Factors that can cause fluctuations in the Company's quarterly results include unrealized gains and losses on credit facilities, embedded derivatives, the nature and extent of mine development and exploration activities carried out under specific work programs, finance costs, grants and vesting of stock options and units, and the issuance of shares. Over the past eight quarters, the Company has been focused mainly on construction of PGP mine and site infrastructure, commissioning the processing plant and pre-production of gold dore as well as continuing exploration on the PGP properties. Increasing mineral property, plant and equipment costs are a result of the Company's large-scale project construction and commissioning activities. The quarterly fluctuations in net loss over the past two years were caused primarily by the changes in fair value of the Company's derivatives. The higher losses in Q4 2024 and in Q3 2024 were caused primarily by the change in the terms of Company's credit facilities resulting in loss on derecognition of the existing credit facility being expensed and the decrease in the fair value of the derivatives. The higher mineral property, plant and equipment costs capitalized in 2023 and 2024 were primarily due to increased construction activities and capital spending at the commissioning phase, a change in estimate of the Company's reclamation provision and higher borrowing costs capitalized.

Three months ended December 31, 2024 compared to three months ended December 31, 2023

The Company reported a net loss of $17,018 for Q4 2024 compared to a net income of $1,705 for Q4 2023. The increase in net loss of $18,723 for the current period is primarily attributable to a combination of factors, including:

- A $8,701 decrease in the fair value of derivatives mainly driven by the adjustment to the discount rate and decrease in the Company's share price offset by higher gold and silver prices, which is a non-cash item.
- An increase in loss on extinguishment of credit facilities of $8,756, offset by $6,068 gain on the change in fair value of the convertible facility option which is a non-cash item.
- An increase in unrealized foreign exchange loss of $2,718 due to a depreciation of the Canadian dollar against the US dollar in which the credit facilities are denominated in.

Partially offset by:

- Decrease in general and administrative expenses and stock based compensation by $2,776 primarily due to reduced workforce.

Year ended December 31, 2024 compared to year ended December 31, 2023

The Company reported a net loss of $31,508 for the year ended December 31, 2024 compared to $10,430 for year ended December 31, 2023. The increase in net loss of $21,078 is primarily attributable to a combination of factors, including:

- A $15,987 decrease in the fair value of derivatives mainly driven by the adjustment to the discount rate and decrease in the Company's share price offset by higher gold and silver prices, which is a non-cash item.
- An increase in loss on extinguishment of credit facilities of $4,324, which is a non-cash item.
- An increase in unrealized foreign exchange loss of $3,414.
- An increase in financing costs of $1,175.

Partially offset by:

- Decrease in general and administrative expenses and stock based compensation by $3,390 due to reduced workforce.
- Gold dore sales with a gross profit of $846.

LIQUIDITY AND CAPITAL RESOURCES

Capital Resources

During the year ended December 31, 2024, the Company issued 426,785,000 common shares (2023: 120,186,206), 84,594,528 warrants (2023: none), and granted 6,067,104 stock options (2023: 9,789,358), 386,195 Deferred Share Units ("DSUs") (2023: 1,449,973) and 3,267,868 Restricted Share Units ("RSU") (2023: 2,606,908). Also, 7,284,210 stock options expired or were forfeited (2023: 564,152), 305,848 RSUs were forfeited, 13,710,500 warrants expired and 371,369 stock options (2023: 55,530), 137,533 DSUs (2023: 452,006) and 1,230,088 RSUs (2023: 721,597) were exercised in 2024.

The Company considers its capital structure to be primarily funded through shareholders' equity, debt, metal streaming arrangements and NSR royalty arrangements. Management's objective is to ensure that there is sufficient capital to minimize liquidity risk and to continue as a going concern. As a development stage company, the Company has relied on various sources of financing. Although the Company has been successful in the past in obtaining financing, there can be no assurance that the Company will be able to obtain adequate financing in the future, or that the terms of such financings will be favourable.

Financing

On March 14, 2025, the Company closed the first of the two tranches of the best-efforts private placement offering units of the Company. The Tranche 1 closing consisted of 142,551,675 CDE FT Units at a price of C$0.1403 per CDE FT Unit and 191,435,095 HD Units at a price of C$0.115 per HD Unit for gross proceeds of $42,015. The second and final tranche of the 2025 Offering, pursuant to which the Company expects to issue an additional 162,000,000 HD Units at a price of C$0.115 per HD Unit for additional gross proceeds of $18,630, is anticipated to close on or about April 10, 2025. The net proceeds of the private placement will be used to advance the Premier Gold project and for general corporate purposes. In addition, the Company and its secured creditors, SRSR and Nebari agreed to extend their existing waiver and forbearance conditions until September 30, 2025. The Company also entered into an amending agreement to the amended and restated credit agreement with certain Nebari entities dated November 18, 2024, which amended the conversion price under the Convertible facility to C$0.155. The exercise price of the existing Nebari warrants was also amended to C$0.155. SRSR has committed to release the US$7.5 million Second Stream Deposit from escrow upon achieving agreed development and funding targets, consistent with the amended and restated Purchase and Sale Agreement.

On November 18, 2024, the Company closed its previously announced "best-efforts" private placement offering of common shares of the Company. The Company issued a total of 262,500,000 common shares at a price of C$0.16 per common share, for gross proceeds of approximately C$42 million. As part of the Financings, it closed the senior secured debt financing and amendments, including approximately US$7.5 million from SRSR ("Second Stream Deposit") which is a prepayment for deliveries of gold and silver upon meeting certain specified conditions. The Second Stream arrangement also contemplates that Ascot has the option to reduce 100% of gold and silver deliveries for US$9.7 million in cash commencing on the escrow release date until December 31, 2026. If the Company does not exercise its repurchase right, SRSR has a right to require Ascot to repurchase 100% of the gold and silver deliveries for US$9.7 million in cash commencing on January 1, 2027 to December 31, 2027. In addition, in conjunction with the financing, the Company obtained waiver from both secured creditors providing for limited suspension of covenant compliance requirements and forbearance agreements granted until May 31, 2025. The net proceeds of the Financings will be used to advance the development of the Premier Northern Lights mine, restart the mill and restart the Big Missouri mine.

On July 25, 2024, the Company closed a bought deal financing, including the full exercise of the over-allotment option, for gross proceeds of approximately $34 million, under which the underwriters agreed to buy on a bought deal basis by way of private placement, 30,242,000 flow-through units and 32,560,000 hard dollar units of the Company (together, the "Offered Securities"), at a price of $0.496 per flow-through unit and $0.43 per hard dollar unit for aggregate gross proceeds of approximately $29,000. Each Offered Security consisted of one common share of the Company and one common share purchase warrant of the Company. Each warrant entitled the holder to acquire one share (each, a "Warrant Share") at a price of $0.52 per Warrant Share for a period of 24 months following closing. In addition, the Company also granted the Underwriters an option, exercisable up to 48 hours prior to the closing of the offering, to purchase up to an additional 11,628,000 hard dollar units for additional gross proceeds of up to $5,000. The net proceeds raised from the Shares and Warrants comprising the flow-through units will be used by the Company to incur eligible Canadian development expenses (within the meaning of the Income Tax Act (Canada). The net proceeds raised pursuant to the issuance of the hard dollar units will be used for the ongoing commissioning and ramp-up of the Premier Gold Mine, for additional working capital, and for general corporate purpose.

On May 29 and June 20, 2024, the Company closed a total of $5,000 non-brokered flow-through private placement, the proceeds of which will be used to fund the 2024 exploration program at PGP. The private placement consisted of 6,024,096 common shares of the Company, which qualify as "flow-through shares" within the meaning of the Income Tax Act (Canada), at a price of C$0.83 per flow-through share.

On February 20, 2024, the Company closed a financing package for a total of approximately US$50 million. The financing package consisted of a royalty restructuring of US$30 million from SRSR and a cost overrun facility of US$20 million from Nebari. Concurrently, the Company closed a bought deal private placement with pursuant to which Ascot issued a total of 65,343,000 common shares at a price of C$0.44 per common share for gross proceeds of approximately C$29 million. As previously disclosed, a portion of the proceeds received from Sprott Streaming were used to repurchase two existing 5% royalties on various PGP property claims. The proceeds received from Nebari were used to fund the PGP and general working capital. The proceeds from the private placement were used for the construction and ramp up of PGP, for additional working capital and for general corporate purposes.

Under the royalty restructuring, the Company received US$30 million gross proceeds to grant and sell to Sprott Streaming a 3.10% NSR royalty covering the PGP property package (the "Sprott Royalty"). Until the end of 2026, up to 50% of the royalty can be repurchased for varying amounts depending on timing and cumulative production. The repurchase price would be payable in ounces of gold bullion or the equivalent value in cash and is equal to 19,200, 21,600, and 24,000 gold equivalent ounces in 2024, 2025, and 2026 respectively, less the cumulative gold equivalent ounces delivered prior to the repurchase date, with the difference multiplied by the buyback percentage. On March 15, 2024, $13,700 of the gross proceeds was used to buy back two existing 5% NSR royalties on various PGP property claims, resulting in net proceeds of approximately US$20 million.

Under the cost overrun facility ("COF"), the Company received US$20 million, net of an original issue discount of US$0.8 million, from Nebari, which matures in June 2027. The interest rate is 10.0% plus the greater of: (i) 3.5% and (ii) the three-month secured overnight financing rate ("SFOR") per annum. A 1% arrangement fee was paid to Nebari upon closing of the COF. The COF follows a progressive amortization schedule with interest and principal payments due monthly for the term of the COF, starting in July 2024. Subject to the terms and conditions of the COF, Ascot may prepay the outstanding principal at any time, subject to a minimum prepayment amount of US$1 million and Nebari achieving a minimum absolute return of 15%. Nebari was granted warrants to purchase 10,164,528 Common Shares of the Company at a price of C$0.53 per share. The warrants expire on June 27, 2027. In connection with the COF, Ascot amended certain terms of the Convertible Facility, including the conversion price amendment from C$0.72 to C$0.53.

On November 18, 2024, the COF agreement was amended and restated resulting in Nebari Partners, LLC, as investment Manager, together with Nebari Gold Fund 1, LP, Nebari Natural Resources Credit Fund II, LP and Nebari Natural Resources AIV II, LP (collectively, the "Acquiror"), acquiring ownership of the COF and the COF Warrants. The strike price of the COF Warrants was amended to C$0.192 from C$0.53. The Company issued 5,172,456 common shares of Ascot (the "Alignment Shares") to the Acquiror. The interest rate on the COF was amended to 10.5% plus the greater of 3.5% and the three-month SOFR per annum.

The amended COF follows a progressive amortization schedule with interest and principal payments due monthly for the term of the COF, starting in May 2025. Subject to the terms and conditions of the COF, Ascot may prepay the outstanding principal at any time, subject to a minimum prepayment amount of US$1 million and Nebari achieving a minimum absolute return of 15%.

Liquidity and Going Concern

As at December 31, 2024, the Company had cash and cash equivalents of $27,973 (December 31, 2023: $26,974) and a working capital deficiency (current assets minus current liabilities) of $47,551 (December 31, 2023: $18,337). Excluding the current portion of deferred revenue of $6,936 and $24,290 of convertible facility which is classified as current due to the lender's right to exercise the conversion option at any time at a variable price, the working capital deficiency was $16,325. The decrease in cash and cash equivalents since December 31, 2023 was mainly due to the increase in expenditures in mine development, plant and equipment of $153,433, share issue costs of $6,758, financing costs $484 and payment of principal and interest on COF of $3,096 which is offset by net proceeds from the sale of Sprott royalty of $40,554, net proceeds from the COF of $26,766, proceeds from the bought deal private placement of $109,352 and proceeds from the exercise of stock options of $193.

The negative working capital, the delay in underground development, suspension of operations and the builder's liens filed on the mineral properties would have resulted in a default on Ascot's credit facilities and stream arrangement. However, the Company obtained waivers and forbearance conditions from its secured lenders providing for limited suspension of covenant compliance requirements until September 30, 2025. The waivers were in effect as of December 31, 2024 and until September 30, 2025.

In order to complete mine development required for sufficient ore feed and restart its operations, the Company may need to raise additional funds and, although it has been successful in doing so in the past, there is no assurance it will be able to do so in the future. On March 14, 2025, the Company closed the first of two tranches of a private placement of common shares of the Company. The Company received gross proceeds of $42,015 from the first tranche of the 2025 Offering. The second and final tranche of the 2025 Offering, pursuant to which the Company expects to receive additional gross proceeds of $18,630, is anticipated to close on or about April 10, 2025. While the Company has received this funding, the timeline to bring the Project into commercial production and profitable operations is uncertain and therefore additional funding may be required. These considerations indicate material uncertainties which may cast significant doubt upon the Company's ability to continue as a going concern (refer to Note 1 to the Company's audited consolidated financial statements for the year ended December 31, 2024).

Management evaluated the financial position including the negative working capital and commitments that existed at December 31, 2024 as well as the potential funding received subsequent to the year end and the projected cash flows from operations based on the estimated mine and production plan (including estimated mine and mill grades). The financing package together with the projected cash flows from operations with the operations restart in Q3 2025 would provide sufficient funding for the next twelve months of operations. If the projected cash flows from operations do not materialize, the Company may need additional funding.

(Expressed in thousands of Canadian dollars, except where indicated)

COMMITMENTS, CONTRACTUAL AND OTHER OBLIGATIONS

As at December 31, 2024, the Company's contractual and other obligations are as follows:

	Less than 1 year	1-3 years	4-5 years	After 5 years	Total
Trade and other payables	$ 17,717	$ -	$ -	$ -	$ 17,717
Convertible Facility principal and interest (a)/(c)	2,347	26,497	-	-	28,844
Cost overrun facility principal and interest (b)/(c)	17,740	18,863	-	-	36,603
Reclamation liabilities (d)	-	-	-	194,135	194,135
Benefits agreement - PGP and RMP	300	1,075	800	-	2,175
Pre-production royalty - Red Mountain project	50	100	100	50	300
Minimum lease payments	4,903	7,163	3,226	-	15,292
	$ 43,057	$ 53,698	$ 4,126	$ 194,185	$ 295,066

(a) Interest on the Convertible Facility is compounded quarterly and is added to the principal loan amount prior to May 31, 2025. Commencing May 31, 2025, interest is payable in cash quarterly. Principal and accrued interest are payable on June 27, 2027. On March 14, 2025, the Convertible Facility was amended with interest accrued until September 30, 2025.
(b) Interest on the COF is payable monthly starting in February 2024 and principal payment is payable monthly starting in July 2024. Following the amendment of COF on November 18, 2024, it follows a progressive amortization schedule with interest and principal payments due monthly for the term of COF, starting May 2025. On March 14, 2025, the COF was further amended with interest and principal payments deferral until September 30, 2025.
(c) The Company had negative working capital at the end of December and was in technical non-compliance with certain covenants. The Company obtained waivers for this non-compliance until September 30, 2025. The waivers were in effect as of December 31, 2024 and until September 30, 2025.
(d) The amount in reclamation liabilities are undiscounted cash expenditures.

As of December 31, 2024, the Company had an outstanding purchase commitment of $1,957 for surface mining equipment, which will be financed under a master lease agreement for an equipment lease facility. The Company is also required to make a yearly service fee of $1,010 plus reasonable maintenance costs for each calendar year until termination (which can be done on 6 months' notice) under an agreement for electrical power interconnection and transmission service. Subsequently to December 31, 2024 the lease terms were amended to defer the Q1 2025 principal payment to the end of the lease.

CONTINGENCY

On February 26, 2025, a contractor to the Company provided the Company with a formal notice that a dispute has arisen under the terms of the contract. Pursuant to the terms of the contract, Ascot is required to adhere to the dispute resolution timeline. At this time, the Company is not able to determine the outcome of the dispute resolution process, which could be material.

RELATED PARTY TRANSACTIONS

Included in accounts payable and accruals at December 31, 2024 is $77 (December 31, 2023: $591) due to the Company's directors and executive management.

Key management personnel are persons responsible for planning, directing and controlling the activities of an entity, and include executive and non-executive directors as well as the Company's CEO, CFO and COO. Key management personnel compensation comprised:

(Expressed in thousands of Canadian dollars, except where indicated)

	Year ended December 31, 2024	Year ended December 31, 2023
Salaries, short-term benefits and management fees	$ 1,143	$ 1,517
Project development costs	-	85
Share-based payment transactions	1,124	2,316
	$ 2,267	$ 3,918

During the year ended December 31, 2024, four of the Company's directors were granted a total of 386,195 DSUs in lieu of cash fees. Based on the Company's share price on the day prior to the grant dates, the fair value of the DSUs granted to directors was $113.

CRITICAL ACCOUNTING JUDGMENTS AND ESTIMATES

The preparation of financial statements in compliance with IFRS Accounting Standards requires the use of certain critical accounting estimates. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The Company's critical accounting estimates are disclosed in the notes to the audited consolidated financial statements for the year ended December 31, 2024.

The areas requiring critical judgments that have the most significant effect on the amounts recognized in the financial statements are:

Accounting for the Sprott Stream

Upon initiation of the first Sprott Stream and at each reporting period, management assesses the appropriate accounting treatment of the Stream. One of the areas of significant estimation is the Company's potential obligation to settle a portion of the Sprott Stream in cash. Management noted that the lender has limited ability to cancel the first Sprott Stream or seek cash reimbursement except under certain circumstances of breach and default of covenants (i.e., a contingent settlement provision). Management determined that the Company is able to settle the first Sprott Stream through delivery of the commodities based on Ascot's most recent mine plan. Based on these considerations, management concluded that the first Sprott Stream does not meet the definition of a financial liability and has been accounted for as a contract liability for the future delivery of an unknown quantity of gold and silver ounces, with each ounce representing a separate performance obligation.

A market-based discount rate is utilized at the inception of the first Sprott Stream to determine a discount rate for computing the interest charges for the significant financing component of the deferred revenue balance. As gold and silver are delivered, the deferred revenue amount including accreted interest will be drawn down. The drawdown rate requires the use of proven and probable reserves and certain resources in the calculation that are beyond indicated and inferred resources, which management is reasonably confident are transferable to proven and probable reserves. Key estimates used in determining the significant financing component include the discount rate and the reserve and resources assumed for conversion.

The Buyback option included in the first Sprott Stream is an embedded derivative, the fair value of which is estimated using the Monte Carlo Simulation Method. The key assumptions used in the model are risk-free rates, the Company's forecast mineral production, forecast gold and silver prices and volatility and credit spread.

The first Sprott Stream deposit is not affected by the second stream arrangement, which was entered into an agreement with SRSR in November 2024. As of December 31, 2024, the conditions for release of the Second Stream Deposit has not been met, the US$7.5 million prepayment has not been received by the Company. As the Second Stream Deposit has not been released from escrow and therefore is unrecognized in these financial statements, the accounting for it is under review and will be reflected on closing.

Accounting for debt financing transactions

Upon entering into a debt financing transaction, management applies judgment in assessing the appropriate accounting treatment by considering the specific terms of the debt financing transaction to identify any potential embedded derivatives, and to determine the appropriate valuation methodology. In assessing the credit facilities, management identified a conversion option embedded derivative within the Convertible facility. The embedded derivative is required to be revalued at each period end with the movements recorded as gains or losses in the statement of comprehensive loss. The fair value of the derivative is estimated using the Finite Difference Method. The key assumptions used in the model are risk-free rates and the forecast price and volatility of the Company's stock.

Impairment of Mineral Properties

At each reporting period, management applies judgment in assessing whether there are any indicators of impairment relating to the Company's mineral properties. If any such indicator exists, then an impairment test is performed by management.

In September 2024, management decided to temporarily suspend operations in order to focus on mine development until enough ore feed is available to profitably run the operations and as a result, an impairment indicator was identified for the Project as of September 2024. The Company completed an impairment test for the Project as of September 30, 2024 by calculating the recoverable amount and comparing it to the carrying value of the Project, and recorded no impairment loss as a result. Actual results may differ from these estimates.

As of December 31, 2024, based on management's assessment of impairment indicator, no new impairment indicators were noted that that would require the Company to perform an impairment test. This assessment included an evaluation of any changes to significant assumptions used in the last impairment test at September 30, 2024.

Sale of royalty interest

Judgment was required in assessing the appropriate accounting treatment for the 3.1% NSR royalty, including characterization of the transaction, whether control was transferred in Ascot's mineral property interest, and whether the related services are distinct from the mineral interest. The assessment considered terms specific to the royalty arrangement to determine what the counterparty was entitled to and the associated risks and rewards attributable to it over the life of the royalty arrangement.

Deferred extraction obligation

When the Company granted the 3.1% NSR royalty to SRSR, the Company allocated the proceeds based on its estimate of the value associated with the extraction obligation, with the residual allocated to the sale of the mineral property interest. In doing so, management made estimates and assumptions with respect to the present value of future extraction costs consistent with assumptions in the determination of the recoverable value of mineral properties. This analysis depends on estimates of recoverable reserves and resources, metallurgical recovery estimates, future production volumes, future extraction costs and discount rates. On an ongoing basis, the Company will update the unrecognized balance based on changes to the estimated quantity and timing of future production. These estimates are subject to variability and have an impact on the timing and amount of revenue recognized.

The key areas of estimation uncertainty at the reporting period end that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next twelve months are:

Reclamation provision

The future obligations for site closure activities are estimated by the Company based on the laws and regulations of the countries in which it operates, with due consideration to the fact that the requirements could change as a result of amendments in the laws and regulations relating to environmental protection and other legislation affecting resources companies. Management's estimation of the Company's decommissioning and rehabilitation provision is based on the reclamation and closure activities it anticipates as being required and its estimate of the probable costs and timing of such activities and measures.

Impairment of mineral properties

Impairment of mineral properties is a key area of estimation uncertainty that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next twelve months. The estimates and associated assumptions are based on the Company's mine plan and other factors that are considered to be relevant. Actual results may differ from these estimates.

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Company's financial instruments include cash and cash equivalents, trade and other receivables, reclamation deposits, Stream Buyback option, trade and other payables, credit facilities and other liabilities. The recorded amounts of cash and cash equivalents, trade and other receivables, trade and other payables and other liabilities approximate their respective fair values due to their short-term nature. The carrying value of the reclamation deposit approximates its fair value, as it is cash-based.

Credit Risk

Financial instruments that potentially subject the Company to a concentration of credit risk consist primarily of cash, cash equivalents and reclamation deposits. The Company limits its exposure to credit loss by placing its cash, cash equivalents and reclamation deposits with high credit quality financial institutions. Substantially all of our cash and cash equivalents held with financial institutions exceeds government-insured limits. We seek to minimize our credit risk by entering into transactions with investment grade worthy and reputable financial institutions and by monitoring the credit standing of the financial institutions with whom we transact. We seek to limit the amount of exposure with any one counterparty. The carrying amount of financial assets represents the maximum credit exposure.

Currency Risk

Foreign currency risk is the risk that a variation in exchange rates between the Canadian dollar and US dollar or other foreign currencies will affect the Company's operations and financial results. The Company's functional currency is the Canadian dollar and major purchases are transacted in Canadian dollars. The Company's significant financial instruments denominated in a foreign currency (U.S. dollar) are the credit facilities and cash in treasury account. A 10% decrease (increase) of the value of the Canadian dollar relative to the U.S. dollar as at December 31, 2024 would result in an additional $3,457 foreign exchange loss (gain) reported in the Company's statement of comprehensive loss for the year ended December 31, 2024 (2023: $937).

Interest Risk

Interest rate risk is the risk that the fair value or cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company has interest-bearing assets in relation to cash in treasury accounts carried at variable interest rates. The Company's significant financial instruments valued using fluctuating risk-free interest rates are the Stream and Royalty buyback options and the derivative components of the credit facilities. The Company's credit facilities and mining equipment lease liability are carried at floating interest rates. The Company has estimated that a one percentage point increase in the interest rate on its credit facilities and mining equipment lease would result in an additional $310 of interest added to the balance of the credit facilities and $237 interest paid for the year ended December 31, 2024. The Company's operating cash flows are substantially independent of changes in market interest rates. The Company has not used any financial instrument to hedge potential fluctuations in interest rates. The exposure to interest rates for the Company is considered insignificant.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company's approach to managing liquidity is to maintain sufficient cash to meet obligations when they become due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The key to success in managing liquidity is the degree of certainty in the cash flow projections. If future cash flows are fairly uncertain, the liquidity risk increases. The Company is in commissioning and ramp up stage and has not yet reached commercial production. On September 6, 2024, the Company suspended operations and is seeking funding to complete the mine development required for sustainable operations. Future cash flows are dependent on successful completion of the financing and restart of the operation in Q3 2025. If the restart plan is further delayed, additional funding may be required. Refer to "Liquidity and Going Concern" section above.

The Company endeavors to ensure that it has sufficient cash on demand to meet its obligations as they become due by preparing annual capital and administrative expenditure budgets, which are regularly monitored and updated as considered necessary. Further, the Company utilizes authorizations for expenditures on exploration projects to further manage expenditure. The Company monitors its risk of shortage of funds by monitoring the maturity dates of existing trade and other accounts payable, lease liabilities and the Convertible Facility. Most of the Company's financial liabilities have contractual maturities of less than 30 days and are subject to normal trade terms. Refer to the "**LIQUIDITY AND CAPITAL RESOURCES**" section above.

OUTSTANDING SHARE DATA

As at March 24, 2025, the Company had 1,318,035,554 common shares outstanding, 31,267,915 stock options, 418,581,298 share purchase warrants, 3,123,041 deferred share units, 9,199,263 restricted share units and no performance share unit outstanding. Also, 25,767,777 unvested Prepayment Warrants issued to Nebari are outstanding.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE

Ascot remains committed to working safely, being transparent, building lasting relationships with Nisga'a Nation and our local communities beyond mining, and to steward the land, water, and air around us. Ascot continues to build strong relationships with our partner Nisga'a Nation and the local communities. We strive to be a sustainable contributor to northwestern British Columbia and southeastern Alaska. We thank Nisga'a Nation for hosting us on their Treaty Lands and working with us closely and collaboratively even through the unforeseen delays and challenges experienced over the past year. We thank our employees, the communities of Stewart and Hyder, our financial and government partners, and our shareholders for their ongoing support.

Our most recent Sustainability Report was released in June 2024 and highlights the measures taken and successes thus far in community relations, employment, health and safety, environmental stewardship and governance. The Sustainability Report also outlines the Company's future sustainable goals. Ascot's 2023 Sustainability Report can be found online at https://ascotgold.com/sustainability/sustainability-reports/.

Community Relations and Employment

For the past six years, Ascot has proactively engaged both formally and informally with the surrounding communities via Townhalls, Council Meetings, face-to-face meetings, and virtual meetings. Employment and housing are significant concerns for the community, along with attracting tourists in both the summer and winter months. Ascot's relationships with the leadership and community members of the District of Stewart are strong. Also, while PGP is within the Canadian provincial jurisdiction of British Columbia, we recognize that our project is very close to our neighbours in Alaska.

Ascot contributes where it can to its surrounding communities and has established a Donations & Sponsorship Committee, which regularly reviews inbound requests. Due to financial constraints, donations and sponsorships were paused in Q4.

PGP is also located within the Nass Area as defined by the Nisga'a Treaty signed in 2000. In July of 2021, Ascot and Nisga'a Nation signed a benefits agreement and over the years, Ascot and Nisga'a Nation have established strong lines of communication and a respectful engagement process. In Q4 2024, the Ascot/Nisga'a oversight committees established in accordance with the benefits agreement met and no substantive concerns were raised. Key topics of conversation with the oversight committees were the ongoing commissioning of the water treatment plant, the temporary suspension of operations and subsequent restart. Employment and water remain two of the most important issues for Nisga'a Nation.

Nisga'a Employment

Throughout the life of the Company, employing Nisga'a citizens has been a priority for Ascot. As we move into operations, opportunities to hire, train and support the career development of Nisga'a citizens interested in working with Ascot are increasing and Ascot continues to prioritize hiring qualified Nisga'a citizens wherever possible and supporting our existing Nisga'a employees to grow in their roles.

In Q4 of 2024, 16 Nisga'a citizens were employed with the Company in various roles including site services labourer, mill labourer, mill operator, water treatment plant operator, security guard, heavy equipment operator, truck driver and lead hand. Ascot has offered on-the-job training to many of these individuals where appropriate and has supported them in obtaining necessary certifications (i.e., Mine Rescue, First Aid, Confined Space, Mine Supervisor, etc.) to complete their jobs. When layoffs occurred in the mill in Q4, Ascot prioritized keeping Nisga'a citizens employed and all Nisga'a mill employees were moved to site services or the water treatment plant until the mill restarts in 2025.

Health and Safety

Doing "no harm" is paramount to our work at Ascot. The health and safety of our employees, contractors, and local communities has and will continue to be a top priority as the Company evolves from exploration to development and through production. Ascot's journey towards production presents new and unique health and safety conditions which must be proactively planned for and adapted to.

Corporate Governance

Management and the Board recognize the value of good corporate governance and the need to adopt best practices. The Company is committed to continuing to improve its corporate governance practices in light of its stage of development and evolving best practices and regulatory guidance.

The Board has adopted a board mandate outlining its responsibilities and defining its duties. The Board currently has five board-appointed committees: the Audit Committee, the Compensation Committee, the Governance and Nominating Committee, the Disclosure Committee, and the Health, Safety, Environmental and Technical Committee. Each Committee (with exception of the Disclosure Committee which works from the Timely Disclosure, Confidentiality and Insider Trading Policy) has a committee charter, which outlines the committee's mandate, procedures for calling a meeting, and provides access to outside resources. All of the committees are composed completely of independent directors with exception to the Disclosure Committee, which is currently composed of management, two independent directors and one non-independent director.

The Board has also adopted a Code of Ethics, which governs the ethical behavior of all employees, management, and directors. Separate Timely Disclosure, Confidentiality and Insider Trading Policy, Whistleblower Policy, Diversity Policy and Compensation Recovery Policy are all also in place. For more details on the Company's corporate governance practices, refer to Ascot's website (https://ascotgold.com/corporate/corporate-governance/).

The Company's directors have expertise in exploration, metallurgy, mining, accounting, legal, banking, financing, and the securities industry. The Board and Audit Committee meet at least four times per year and the other committees convene on an as required basis (see the Company's Information Circular for more details).

DISCLOSURE CONTROLS AND PROCEDURES ("DC&P")

The Company has DC&P in place to provide reasonable assurance that any information required to be disclosed by the Company under securities legislation is recorded, processed, summarized and reported within the applicable time periods and that required information is accumulated and communicated to the Company's management so that decisions can be made about the timely disclosure of that information.

INTERNAL CONTROL OVER FINANCIAL REPORTING ("ICFR")

Management's Report on ICFR

Management of the Company is responsible for establishing and maintaining effective ICFR as such term is defined in the rules of National Instrument 52-109 in Canada ("NI 52-109"). The Company's ICFR are designed to provide reasonable assurance regarding the reliability of the Company's financial reporting for external purposes in accordance with IFRS Accounting Standards. The Company's ICFR include policies and procedures for:

- Maintaining records, that in reasonable detail, accurately and fairly reflect our transactions and dispositions of the assets of the Company;
- Providing reasonable assurance that transactions are recorded as necessary for preparation of the consolidated financial statements in accordance with IFRS Accounting Standards;
- Providing reasonable assurance that receipts and expenditures are made in accordance with authorizations of management and the directors of the Company; and
- Providing reasonable assurance that unauthorized acquisition, use or disposition of Company assets that could have a material effect on the Company's consolidated financial statements would be prevented or detected on a timely basis.

The Company's management assessed the effectiveness of the Company's ICFR as of December 31, 2024. In doing so, management used the criteria set forth in the Internal Control-Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO"). Based on their assessment, management has concluded that, as of December 31, 2024, the Company's ICFR was effective based on COSO criteria.

There have been no changes in the Company's ICFR during the year ended December 31, 2024 that have materially affected, or are reasonably likely to materially affect, the Company's ICFR.

Limitation of Controls and Procedures

The Company's management, including its CEO and CFO, believe that any DC&P or ICFR, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, they cannot provide absolute assurance that all control issues and instances of fraud, if any, within the Company have been prevented or detected. These inherent limitations include the realities that judgments in decision-making can be faulty, and that breakdowns can occur because of simple error or mistake. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people, or by unauthorized override of the controls. The design of any system of controls also is based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions. Accordingly, because of the inherent limitations in a cost-effective control system, misstatements due to error or fraud may occur and not be detected.

RISKS AND UNCERTAINTIES

The Company's securities should be considered a highly speculative investment and investors are directed to carefully consider all of the information disclosed in the Company's regulatory filings prior to making an investment in the Company, including the risk factors discussed under the heading "Risk Factors" in the Company's most recent Annual Information Form ("AIF") dated March 24, 2025 available on SEDAR+ at www.sedarplus.ca.

Resource exploration and project development are speculative businesses and involve a high degree of risk. There is a significant probability that the expenditures made by the Company in exploring and developing its properties will not result in discoveries of commercial quantities of minerals. A high level of ongoing expenditures is required to locate and estimate ore reserves, which are the basis for further development of a property. Capital expenditures to attain commercial production stage are also very substantial.

Cautionary Statement Regarding Forward-Looking Information

All statements and other information contained in this press release about anticipated future events may constitute forward-looking information under Canadian securities laws ("forward-looking statements"). Forward- looking statements are often, but not always, identified by the use of words such as "seek", "anticipate", "believe", "plan", "estimate", "expect", "targeted", "outlook", "on track" and "intend" and statements that an event or result "may", "will", "should", "could", "would" or "might" occur or be achieved and other similar expressions. All statements, other than statements of historical fact, included herein are forward-looking statements, including statements in respect of the ability of the Company to accomplish its business objectives, the sources and uses and other intentions described herein and future plans, development and operations of the Company. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward- looking statements, including risks related to the need for future waivers or forbearance agreements from the secured creditors of the Company; business and economic conditions in the mining industry generally; fluctuations in commodity prices and currency exchange rates; uncertainty of estimates and projections relating to development, production, costs and expenses, and health, safety and environmental risks; uncertainties relating to interpretation of drill results and the geology, continuity and grade of mineral deposits; the need for cooperation of government agencies and indigenous groups in the exploration and development of Ascot's properties and the issuance of required permits; the need to obtain additional financing to finance operations and uncertainty as to the availability and terms of future financing; the possibility of delay in future plans and uncertainty of meeting anticipated program milestones; uncertainty as to timely availability of permits and other governmental approvals; the need for TSX approval, including the Exemption, and other regulatory approvals and other risk factors as detailed from time to time in Ascot's filings with Canadian securities regulators, available on Ascot's profile on SEDAR+ at www.sedarplus.ca including the Annual Information Form of the Company dated March 24, 2025 in the section entitled "Risk Factors". Forward-looking statements are based on assumptions made with regard to: the estimated costs and timelines associated with the development plans; the ability to maintain throughput and production levels at the Big Missouri mine and the Premier Northern Lights mine; the tax rate applicable to the Company; future commodity prices; the grade of mineral resources and mineral reserves; the ability of the Company to convert inferred mineral resources to other categories; the ability of the Company to reduce mining dilution; the ability to reduce capital costs; the ability of the Company to raise additional financing; compliance with the covenants in Ascot's credit agreements; and exploration plans. Forward-looking statements are based on estimates and opinions of management at the date the statements are made. Although Ascot believes that the expectations reflected in such forward-looking statements and/or information are reasonable, undue reliance should not be placed on forward-looking statements since Ascot can give no assurance that such expectations will prove to be correct. Ascot does not undertake any obligation to update forward-looking statements, other than as required by applicable laws. The forward-looking information contained in this news release is expressly qualified by this cautionary statement.