NEWS RELEASE

DISCOVERY REPORTS RECORD REVENUE, STRONG YEAR-OVER-YEAR EARNINGS GROWTH IN Q2 2026

August 13, 2026, Toronto, Ontario – Discovery Mining Ltd. (TSX: DSV, OTCQX: DSVSF) ("**Discovery**" or the "**Company**") today announced financial and operating results for the second quarter ("**Q2 2026**") and first half ("**YTD 2026**") of 2026. Results for Q2 2026 include one month of production from the Company's Kidd Operations, which were acquired on June 1, 2026. All dollar amounts are in US dollars, unless otherwise noted.

Tony Makuch, Discovery's CEO, commented: "Q2 2026 was a pivotal quarter as we work to substantially grow gold production in Timmins. Firstly, we accelerated our investment programs aimed at optimizing our operations and driving our growth. Capital expenditures totaled $86.4 million and focused on tailings expansion and improvement, increasing production and lowering costs at Hoyle Pond and Borden, and, very importantly, advancing Pamour towards commercial levels of production.

"Second, we continued to achieve outstanding exploration success at all operations, at near-mine targets and at our key growth projects, Dome, TVZ and Owl Creek. Post quarter end, we released very important drill results at our Pamour operation, clearly establishing it as a large-scale deposit extending over a 4 km strike length, with the deposit remaining open in several directions and to depth. We have also announced an extension of the Main Zone at Borden of over half a kilometre and continue to confirm and expand the known mineralization at Dome, TVZ and Owl Creek.

"Finally, we completed the acquisition of the Kidd Operations in Timmins on June 1, 2026. These operations include the Kidd Metallurgical Site and the Kidd Creek Mine. Completing the Kidd acquisition is critical for our future growth plans. Adding the Kidd Met Site provides an opportunity, with investment, to increase our processing capacity to ensure Pamour can reach its full potential, to support future growth at Hoyle Pond and Borden and to process feed from TVZ and Owl Creek, while also freeing Dome Mill to process material from Dome Mine following a resumption of operations.

"Turning to our Q2 2026 results, we achieved record gold production and revenue, and increased gold sales 11% from last quarter. Adjusted earnings more than tripled from Q2 2025 and were 12% higher than in Q1 2026. Our cash position reflected timing factors that will largely reverse in the third quarter. For example, while we funded costs and working capital for our Kidd Operations in June, cash payments related to $29.7 million of revenue from concentrate sales were received early in Q3 2026. We also had $35 million of accelerated payments made in advance of implementing a new enterprise resource planning system, effectively pulling cash outflows from later in the year into our Q2 2026 results. We ended Q2 2026 with total liquidity of over $600 million and no debt, and have since increased our undrawn RCF by $150 million and extended the maturity date. Looking ahead, we are poised for a strong second half of the year and remain well positioned to achieve all of our 2026 guidance."

(1) Non-GAAP measure. For more information, see the section entitled, "NON-GAAP MEASURES."
(2) Q2 2025 production refers to 50,552 ounces produced from April 15, 2025 to June 30, 2025.
(3) Gold sold includes ounces delivered in-kind under the Franco Nevada royalty arrangement.
(4) Gold AISC refers to all-in sustaining costs, and excludes share-based compensation costs.

COMPLETED ACQUISITION OF KIDD OPERATIONS
Creates opportunity to significantly increase processing capacity, adds valuable land and infrastructure, provides exposure to critical minerals and adds exploration upside

EXPLORATION SUCCESS AT ALL TARGETS
Excellent drill results at all operations, at near-mine targets and at key growth projects; Recent results confirmed Pamour to be large-scale deposit with substantial growth potential

INVESTING TO IMPROVE AND GROW PORCUPINE
Total capital expenditures(1) of $86.4M versus $44.2M in Q2 2025 and $69.9M in Q1 2026

STRONG PRODUCTION GROWTH
Produced 67,309 oz of gold, 33% increase from Q2 2025(2) and 12% higher than Q1 2026; Gold sold(3) totaled 66,068 oz vs. 42,550 oz in Q2 2025 and 59,445 oz the previous quarter

UNIT COSTS IN LINE WITH GUIDANCE RANGES
Gold operating cash costs(1) of $1,387/oz sold, gold AISC(1)(4) of $2,154/oz sold

RECORD REVENUE IN Q2 2026
Revenue of $319.1M, more than double the Q2 2025 level and 12% higher than Q1 2026

STRONG YEAR-OVER-YEAR EARNINGS GROWTH
Net earnings of $52.1M, or $0.06/share, vs $5.5M, or $0.01/share, in Q2 2025 and $81.7M, $0.10/share in Q1 2026; Adjusted net earnings(3) of $92.3M, or $0.11/share, compared to $28.4M, or $0.04/share, in Q2 2025 and $82.7M, or $0.10/share in Q1 2026

STRONG FINANCIAL POSITION
Total liquidity of $607.8M at June 30th (including $364.3M of cash); Revolving credit facility ("RCF") increased to $400 million and maturity extended to July 30, 2030 subsequent to quarter end

ON TRACK TO ACHIEVE 2026 GUIDANCE
2026 guidance includes back-half weighted production of 260 – 300 koz; operating cash costs/oz of $1,250 – $1,400 and AISC/oz of $1,950 – $2,250; sustaining capital(1) of $120M – $165M and growth capital(1) of $195M – $235M

Discovery began reporting the results of gold production and sales following the Company's acquisition ("**Porcupine Acquisition**") of the Porcupine Complex ("**Porcupine**") in and near Timmins, Ontario on April 15, 2025.

The Company's full financial statements and management discussion & analysis are available on SEDAR+ at www.sedarplus.ca, and on the Company's website at www.discoverysilver.com.

Effective July 3, 2026, the Company's common shares commenced trading on the TSX under the name Discovery Mining Ltd.

SUMMARY OF Q2 AND YTD 2026 PERFORMANCE

	Three months ended			Six months ended	
Financial Results *(in $ thousands except per share amounts)*	**June 30, 2026**	June 30, 2025	March 31, 2026	**June 30, 2026**	June 30, 2025
Revenue	**319,094**	142,010	285,035	**604,129**	142,010
Production costs	**108,609**	54,919	76,184	**184,793**	54,919
Earnings before income taxes	**112,752**	24,510	131,371	**244,123**	18,058
Net earnings	**52,149**	5,534	81,679	**133,828**	(918)
Basic earnings per share	**0.06**	0.01	0.10	**0.17**	0.00
Diluted earnings per share	**0.06**	0.01	0.10	**0.16**	0.00
Adjusted net earnings(1)	**92,306**	28,434	82,722	**175,029**	25,388
Adjusted net earnings per share(1)	**0.11**	0.04	0.10	**0.22**	0.04
Cash flow from operating activities	**73,977**	67,081	42,968	**116,945**	61,005
Cash investment on mine development and PPE	**(85,414)**	(39,766)	(67,057)	**(152,471)**	(43,533)
Free cash flow(1)	**(11,437)**	27,315	(24,089)	**(35,526)**	17,472

	Three months ended			Six months ended	
Operating Results	**June 30, 2026**	June 30, 2025	March 31, 2026	**June 30, 2026**	June 30, 2025
Porcupine Complex					
Gold					
Ore processed (t)	**904,244**	508,791	698,984	**1,603,228**	508,791
Average Grade (g/t Au)	**2.57**	3.39	2.96	**2.74**	3.39
Recovery (%)	**90.2%**	91.3%	90.6%	**90.4%**	91.3%
Gold produced (oz)	**67,309**	50,552	60,269	**127,578**	50,552
Gold sold (oz)(2)	**66,068**	42,550	59,445	**125,513**	42,550
Average realized gold price ($/oz sold)(1)(3)	**$ 4,474**	$ 3,337	$ 4,908	**$ 4,680**	$ 3,337
Gold operating cash costs per ounce sold ($/oz sold)(1)(3)	**$ 1,387**	$ 1,341	$ 1,417	**$ 1,401**	$ 1,341
Gold AISC per ounce sold ($/oz sold)(1)(3)(4)	**$ 2,154**	$ 2,074	$ 2,041	**$ 2,101**	$ 2,074
Kidd Operations					
Ore processed (t)	**102,839**	—	—	**—**	—
Copper					
Copper produced (t)	**1,286**	—	—	**—**	—
Copper sold (t)	**1,230**	—	—	**—**	—
Zinc					
Zinc produced (t)	**3,361**	—	—	**—**	—
Zinc sold (t)	**2,967**	—	—	**—**	—

(1) Example of Non-GAAP measure. See the section in this press release entitled, "NON-GAAP MEASURES" for more information.
(2) Gold sold Includes ounces delivered in-kind under the Franco-Nevada royalty arrangement of 2,813 ounces in Q2 2026, nil in Q2 2025, 2,518 ounces in Q2 2026, 5,331 ounces in YTD 2026 and nil in YTD 2025.
(3) Ounces delivered in-kind under the Franco Nevada royalty arrangement are excluded for the purposes of operating cash costs per ounce sold, gold AISC per ounce sold, and average realized gold price per ounce sold.
(4) 2025 results exclude G&A expense, share-based compensation costs, sustaining capital expenditures and lease expense incurred prior to April 15, 2025, the completion date of the Porcupine Acquisition.

Q2 2026

- **Revenue** of $319.1 million more than doubled from Q2 2025, reflecting increases of 55% and 34% in gold sold and the average realized gold price[(1)], respectively; Revenue increased 11% from Q1 2026 as higher gold sales more than offset a reduction in the average realized gold price.

- **EBITDA**[(1)(2)] totaled $170.0 million, a significant increase from $55.2 million in Q2 2025 and similar to $177.9 million the previous quarter.

- **Net earnings** totaled $52.1 million ($0.06 per basic share) compared to net earnings of $5.5 million ($0.01 per basic share) in Q2 2025 and net earnings of $81.7 million ($0.10 per basic share) the previous quarter.

- **Adjusted net earnings**[(1)] totaled $92.3 million ($0.11 per basic share), more than triple adjusted net earnings of $28.4 million ($0.04 per basic share) in Q2 2025 and 11% higher than $82.7 million ($0.10 per basic share) in Q1 2026. The $42.2 million difference between net earnings and adjusted net earnings in Q2 2026 mainly reflected the exclusion of a one-time deferred tax expense of $19.7 million, purchase price allocation adjustments ("**PPA**") related to the Kidd Acquisition, Transition Services Agreement ("**TSA**") costs involving the Porcupine Acquisition, and payments to First Nations in connection with the closing of the Kidd Transaction.

- **Key operating results**:
  - Gold production of 67,309 ounces compared to 50,552 ounces in Q2 2025 and 60,269 ounces the previous quarter, with the increase from the previous quarter mainly resulting from a 29% increase in tonnes processed, which more than offset the impact of a planned reduction in the average grade.
  - Gold sold[(3)] of 66,068 ounces compared to 42,550 ounces in Q2 2025 and 59,445 ounces the previous quarter.
  - Total gold production costs of $89.7 million versus $68.8 million in Q2 2025 and 76.2 million in Q1 2026, with the increase from the previous quarter mainly related to higher volumes.
  - Operating cash costs[(1)] of $1,387 per ounce sold compared to $1,341 per ounce sold in Q2 2025 and $1,417 per ounce sold in Q1 2026.
  - Site-level AISC[(1)(4)(5)] of $2,028 per ounce sold versus $1,849 per ounce sold in Q2 2025 and $1,875 per ounce sold the previous quarter, with the increase from Q1 2026 reflecting increased sustaining capital expenditures.
  - AISC[(1)(5)] of $2,154 per ounce sold compared to AISC of $2,074 per ounce sold in Q2 2025 and $2,041 per ounce sold the previous quarter.

- **Capital expenditures**[(1)] totaled $86.4 million. Sustaining capital expenditures[(1)] totaled $36.5 million and largely related to capital development and infrastructure improvements at Hoyle Pond and Borden, new mobile equipment, investments at Dome Mill and work to buttress the No. 6 tailings management area ("**TMA6**"). Growth capital expenditures totaled $49.9 million (including $6.8 million of capitalized exploration), mainly reflecting investments to increase capacity and implement a new deposition strategy at the TMA6 and for continued pre-stripping at Pamour.

- **Net cash generated from operating activities** in Q2 2026 totaled $74.0 million compared to net cash from operating activities of $67.1 million in Q2 2025 and net cash from operating activities of $43.0 million in the previous quarter. Net cash generated from operating activities before changes in working capital totaled $130.0 million versus $39.7 million in Q2 2025 and $128.4 million in Q1 2026.

- **Cash** at June 30, 2026, totaled $364.3 million compared to $384.9 million at March 31, 2026. The change in cash during Q2 2026 mainly reflected the following: the timing for cash flows from the Kidd Operations, with $16.0 million of working capital funding during the quarter and cash payments related to $29.7 million of revenue from concentrate sales being received early in Q3 2026; a $35.8 million impact from the acceleration of payments on the accounts payable liability prior to quarter end as part of the implementation of a new enterprise resource planning system; the impact of capital expenditures in Q2 2026, and the use of $10 million of cash for an investment in Abitibi Metals Corp. These factors more than offset the favourable impact of operating cash flow generated during the quarter before changes in working capital.

- **Working capital**[(1)] at June 30, 2026, totaled $270.7 million compared to working capital of $225.9 million at June 30, 2026 and $288.2 million at March 31, 2026.

YTD 2026

- **Gold production** totaled 127,578 ounces compared to 50,552 ounces in YTD 2025. Revenue totaled $604.1 million ($574.5 million from Porcupine Operations), which compared to $142.0 million in YTD 2025 representing revenue generated from the closing of the Porcupine Acquisition on April 15, 2025 to June 30, 2025. Production costs totaled $184.8 million in YTD 2026 compared to $54.9 million in YTD 2025. Gold operating cash costs averaged $1,401 per ounce sold, while gold AISC per ounce sold averaged $2,101, compared to $1,341 per ounce sold and $2,074 per ounce sold, respectively, for YTD 2025.
- **EBITDA** was $347.9 million versus $48.9 million in YTD 2025.
- **Net earnings** totaled $133.8 million, or $0.17 per basic share. YTD 2026 net earnings compared to a net loss of $0.9 million, or $0.00 per basic share, in YTD 2025.
- **Adjusted net earnings** were $175.0 million, or $0.22 per basic share, compared to $25.4 million, or $0.04 per basic share, in YTD 2025. The difference between net earnings and adjusted net earnings in YTD 2026 mainly reflected the $19.7 million deferred tax expense, PPA adjustments on short-term inventory, TSA costs and payment to the First Nations in connection with the closing of the Kidd Transaction.
- **Net cash from operating activities** in YTD 2026 totaled $116.9 million compared to net cash generated from operating activities of $61.0 million in YTD 2025. The increase mainly reflected significantly higher earnings in 2026, partially offset by a $86.8 million cash income tax payment related to the 2025 tax year made in Q1 2026 and changes in working capital in Q2 2026.
- **Total capital expenditures** for YTD 2026 totaled $156.4 million. Included in the $156.4 million were $57.2 million of sustaining capital expenditures and $99.1 million of growth capital expenditures (including $13.9 million of capitalized exploration).

(1) Example of Non-GAAP measure. For more information, see the section in this press release entitled, “NON-GAAP MEASURES”.
(2) Refers to earnings before interest, taxes and depreciation and amortization costs.
(3) The difference between ounces produced and ounces sold largely reflects the delivery of in-kind ounces under the Franco-Nevada royalty arrangement.
(4) Site-level AISC includes corporate G&A allocation and excludes remaining corporate G&A, share-based compensation and corporate-level sustaining capital expenditures.
(5) AISC does not include share-based compensation costs.

Income Statement Summary

(in thousands except per share amounts)	**June 30, 2026**	June 30, 2025	March 31, 2026	**June 30, 2026**	June 30, 2025
		Three months ended		Six months ended	
Revenue	**$ 319,094**	$ 142,010	$ 285,035	**$ 604,129**	$ 142,010
Production costs	**108,609**	54,919	76,184	**184,793**	54,919
Depreciation and amortization	**40,589**	16,384	31,576	**72,165**	16,384
Royalties	**5,625**	1,916	7,058	**12,683**	1,916
Earnings from mining operations	**164,271**	68,791	170,217	**334,488**	68,791
Expenses					
General and administration	**14,355**	22,877	11,475	**25,830**	28,351
Exploration	**6,453**	830	6,817	**13,270**	855
Share-based compensation	**3,507**	1,953	8,859	**12,366**	3,120
Other operating costs	**10,121**	—	101	**10,222**	—
Earnings from operations	**129,835**	43,131	142,965	**272,800**	36,465
Other					
Other income (loss)	**(3,016)**	(6,879)	1,091	**(1,925)**	(6,690)
Finance Items					
Finance income (expense), net	**(14,067)**	(11,742)	(12,685)	**(26,752)**	(11,717)
Earnings before taxes	**112,752**	24,510	131,371	**244,123**	18,058
Current income tax expense (recovery)	**40,756**	18,976	36,646	**77,402**	—
Deferred income tax expense (recovery)	**19,847**	—	13,046	**32,893**	18,976
Net earnings	**$ 52,149**	$ 5,534	$ 81,679	**$ 133,828**	$ (918)
Basic earnings per share	**$ 0.06**	$ 0.01	$ 0.10	**$ 0.17**	$ 0.00
Diluted earnings per share	**$ 0.06**	$ 0.01	$ 0.10	**$ 0.16**	$ 0.00
Weighted average number of common					
Basic	**811,222**	735,616	810,063	**810,659**	569,293
Diluted	**818,077**	762,923	818,106	**817,514**	596,600

PORCUPINE OPERATIONS REVIEW

Porcupine Complex	Three months ended June 30, 2026	June 30, 2025	March 31, 2026	Six months ended June 30, 2026	June 30, 2025
Revenue (in thousands)	**$ 289,423**	$ 142,010	$ 285,035	**$ 574,458**	$ 142,010
Production costs (in thousands)	**$ 89,694**	$ 54,919	$ 76,184	**$ 165,878**	$ 54,919
Earnings from mining operations (in thousands)	**$ 163,797**	$ 68,791	$ 170,217	**$ 334,014**	$ 68,791
Ore processed (t)	**904,244**	508,791	698,984	**1,603,228**	508,791
Average Grade (g/t Au)	**2.57**	3.39	2.96	**2.74**	3.39
Recovery (%)	**90.2%**	91.3%	90.6%	**90.4%**	91.3%
Gold produced (oz)(1)	**67,309**	50,552	60,269	**127,578**	50,552
Gold poured (oz)(1)	**66,190**	46,608	59,258	**125,447**	46,608
Gold sold (oz)(1)(2)	**66,068**	42,550	59,445	**125,513**	42,550
Milling costs (in thousands)	**$ 19,464**	$ 12,861	$ 17,434	**$ 36,898**	$ 12,861
Milling costs per tonne processed ($/ tonne)	**$ 21.5**	$ 25.4	$ 24.9	**$ 23.0**	$ 25.4
Gold operating cash costs per ounce sold(3)(4)(5)	**$ 1,387**	$ 1,341	$ 1,417	**$ 1,401**	$ 1,341
Site-level gold AISC per ounce sold(3)(4)(5)	**$ 2,028**	$ 1,849	$ 1,875	**$ 1,956**	$ 1,849
Sustaining capital(3)(5)	**$ 33,866**	$ 14,775	$ 18,986	**$ 52,852**	$ 14,775
Growth capital(3)(5)	**$ 50,023**	$ 26,857	$ 46,698	**$ 96,721**	$ 26,857
Total capital expenditures(3)(5) (in thousands)	**$ 83,889**	$ 41,632	$ 65,684	**$ 149,573**	$ 41,632

(1) Includes gold production, poured and sold from Hoyle Pond, Borden, Pamour and Hollinger.
(2) Includes ounces delivered in-kind under the Franco Nevada royalty arrangement.
(3) Example of Non-GAAP measure. See the section in this press release entitled, "NON-GAAP MEASURES" for more information.
(4) Ounces delivered in-kind under the Franco Nevada royalty arrangement are excluded for the purposes of operating cash costs per ounce sold, gold AISC per ounce sold, and average realized gold price per ounce sold.
(5) Gold operating cash costs per ounce sold, gold AISC per ounce sold and total capital expenditures are site level and exclude remaining corporate G&A, share-based compensation costs and corporate-level sustaining capital expenditures

Gold production at the Porcupine Operations in Q2 2026 totaled 67,309 ounces, a 33% increase from 50,552 ounces in Q2 2025 (reflecting the period from April 15, 2025 to June 30, 2025) and 12% higher than 60,269 ounces the previous quarter. The 67,309 ounces in the quarter resulted from 904,244 tonnes being processed at an average grade of 2.57 g/t, with recovery rates averaging 90.2%, which compared 508,791 tonnes at an average grade of 3.39 g/t and recovery rates averaging 91.3% in Q2 2025, and 698,984 tonnes at an average grade of 2.96 g/t and recovery rates averaging 90.6% in the previous quarter. The increase in production in Q2 2026 compared to both prior periods was driven by higher tonnes processed, which increased 78% and 29% from Q2 2025 and Q1 2026, respectively. Higher tonnes processed more than offset the impact of a lower average grade. Compared to the previous quarter, the reduction in grade was anticipated and largely related to a higher proportion of mill feed from open-pit mining sources and stockpiles.

Mining rates in Q2 2026 increased at all operations, with a total of 1,118,113 tonnes mined, a 41% increase from Q1 2026. At June 30, 2026, there was over 1.4 million tonnes of stockpiled material available for processing.

Based on full operating days, Dome Mill's processing capabilities continued to achieve significant improvement with daily throughput exceeding 11,000 tonnes per day on 49 days in Q2 2026, including 11 days when the mill achieved the operating capacity of over 12,000 tonnes per day. Mill operating costs during Q2 2026 averaged $21.53 per tonne processed compared to $25.40 in Q2 2025 and $24.94 per tonne processed the previous quarter, with the improvement from Q1 2026 mainly related to higher processing volumes.

Production costs in Q2 2026 totaled $89.7 million versus $54.9 million in Q2 2025 and $76.2 million in the previous quarter. Gold operating cash costs[1] per ounce sold averaged $1,387 compared to $1,341 in Q2 2025 and $1,417 in the previous quarter. Site-level gold AISC[1][2] averaged $2,028 per ounce sold compared $1,849 in Q2 2025 and $1,875 in Q1 2026. The increase in gold AISC compared to both periods reflected higher sustaining capital expenditures[1], partially offset by the increase in ounces sold. Sustaining capital expenditures in Q2 2026 mainly related to capital development and infrastructure improvements at Hoyle Pond and Borden, new mobile equipment, investments at Dome Mill and work to buttress the TMA6 at the Dome property.

For YTD 2026, a total of 127,578 ounces of gold were produced, which resulted from 1,603,228 tonnes being processed at an average grade of 2.74 g/t, with recovery rates averaging 90.4%. Total mill operating costs were $36.9 million for YTD 2026, for an average of $23.01 per tonne processed. Production costs in YTD 2026 totaled $165.9 million, with gold operating cash costs averaging $1,401 per ounce sold and gold AISC averaging $1,956 per ounce sold. Included in gold AISC were $52.9 million of sustaining capital expenditures largely related to capital development at Hoyle Pond and Borden, mobile equipment purchases at Borden and expenditures related to TMA6.

(1) Example of Non-GAAP measure. See the section in this press release entitled, "NON-GAAP MEASURES" for more information.
(2) Site-level gold AISC includes corporate G&A allocation and excludes remaining corporate G&A, share-based compensation costs and corporate-level sustaining capital expenditures.

KIDD OPERATIONS REVIEW

Discovery's Kidd Operations consist of the Kidd Creek Mine, an underground copper, zinc and silver mining operation, the Kidd Met Site, a large-scale processing facility that includes four concentrator circuits, tailings infrastructure and related operating assets, and a large exploration land position north of Timmins held through Kidd Creek Timber Ltd. Current operations consist of underground mining at the Kidd Creek Mine, with ore transported by rail for processing into copper and zinc concentrates at the Kidd Met Site. The Company is currently evaluating the construction of a new conventional gold circuit at the Kidd Met Site, as well as other modifications to support gold production from different kinds of mineralization. The upgrading and expansion of the Kidd Met Site, together with the site's surface rights contiguous to Hoyle Pond and Pamour, and tailings, power and other infrastructure is expected to support the planned future growth of Discovery's gold operations.

Kidd Operations		Three months ended June 30, 2026
Revenue (in thousands)	$	**29,671**
Production costs (in thousands)	$	**18,915**
Earnings from mining operations (in thousands)	$	**474**
Ore processed (t)		**102,839**
Copper		
Copper grade (%)		**1.30%**
Copper recovery (%)		**96.1%**
Copper produced (tonnes)		**1,286**
Copper sold (tonnes)		**1,230**
Copper cash cost per pound sold ($/lb)(1)(2)	$	**1.29**
Zinc		
Zinc grade (%)		**3.63%**
Zinc recovery (%)		**89.9%**
Zinc produced (tonnes)		**3,361**
Zinc sold (tonnes)		**2,967**
Zinc cash cost per pound sold ($/lb)(1)(2)	$	**0.84**
Sustaining capital(1)(2)	$	**925**
Growth capital(1)(2)	$	**246**
Total capital expenditures(1)(2) (in thousands)	$	**1,171**

(1) Example of Non-GAAP measure. See the section in this press release entitled, "NON-GAAP MEASURES" for more information.
(2) Copper and zinc cash costs per ounce sold and total capital expenditures are site level and exclude remaining corporate G&A, share-based compensation costs and corporate-level sustaining capital expenditures.

For the period June 1, 2026 to June 30, 2026, a total of 102,839 ore tonnes were processed at the Kidd Met Site, resulting in the production of concentrate of 1,286 tonnes of copper (average grade of 1.30% and average recoveries of 96.1%) and 3,361 tonnes of zinc (average grade of 3.63% and average recoveries of 89.9%). A total of 1,230 tonnes and 2,967 tonnes for copper and zinc were sold during this period.

Revenue at Kidd comprised of copper and zinc concentrates for the period totaled $29.7 million, while production costs totaled $18.9 million. Cash costs for copper averaged $1.29 per pound sold, while cash costs for zinc averaged $0.84 per pound sold. Silver sales, which are treated as by-product credits attributable to copper, totaled $5.3 million for the period. The concentrate payment process operates on specified time intervals based on the terms of off-take agreements. For the Kidd Operations, existing off-take terms result in longer periods for cash collection on receivables as compared to the Company's gold business.

CORDERO OVERVIEW

The Cordero Project was acquired by Discovery in 2019. Since that time, the Company has invested over $100.0 million in Mexico, conducting significant exploration drilling and technical analysis, leading to the release of multiple studies, most recently the feasibility study dated February 16, 2024 (the "**February 2024 Feasibility Study**" or the "**FS**") and filed on SEDAR+ (www.sedarplus.ca) on March 28, 2024. The results of the FS confirmed Cordero to be one of the world's largest undeveloped silver deposits, with the potential for large-scale production at low unit costs, and is capable of generating substantial free cash flows and attractive economic returns.

Key highlights of the FS include:

- Average annual production of 37.0 million silver equivalent ounces(1) ("**AgEq**") over the first 12 years with a total project life of 19 years;
- AISC(2) averaging below $12.50 per AgEq ounce in Years 1 – 8;
- Base-case after-tax net present value ("**NPV**") of $1.2 billion (Base-case metal prices: Silver – $22.00 per ounce; Gold – $1,600 per ounce; Zinc – $1.20 per ounce; Lead – $1.00 per ounce);
- Initial capital expenditures(2) of $606.0 million (resulting in a NPV to capital ratio of 2:1);
- Large-scale Mineral Reserves totaling 302 million ounces of silver, 840,000 ounces of gold, 5.2 billion pounds of zinc and 3.0 billion pounds of lead;
- Important socio-economic contribution to Mexico, including an initial investment of over $600 million, the creation of 2,500 jobs during development, and over 1,000 jobs during operations, $4.0 billion in total procurement, all to remain within Mexico, and, assuming a fixed $35.00 per ounce silver price, total tax contributions within Mexico of $2.4 billion over the project life; and,
- High levels of environmental responsibility and a commitment to contributing to the management of key social issues such as carbon reduction and water quality and availability.

Second Quarter 2026 Highlights

During Q2 2026, Discovery continued work on key initiatives to further de-risk the project, including:

- Progressed work on updating the February 2024 Feasibility Study capital and operating cost estimates to reflect the current pricing environment;
- Engaged a third-party specialist power consultant and commenced work on the development schedule and capital cost update to establish natural gas power at site, in an effort to reach a decision point in 2026 on the selection of either natural gas power or grid power as the primary source of power for Cordero;
- Advanced discussions with water treatment plant operators on the planned upgrade and operation of the local water treatment plant; and,
- Advanced work on finalizing the development schedule and financing strategy for Cordero and participated in ongoing discussions with the various governmental bodies involved in issuing the permits for the project.

(1) AgEq produced is metal recovered in concentrate. AgEq is calculated as Ag + (Au x 72.7) + (Pb x 45.5) + (Zn x 54.6); These factors are based on metal prices of Ag - $22/oz, Au - $1,600/oz, PB - $1,00/lb and Zn - $1.20/lb, as used in the February 2024 FS.
(2) Example of Non-GAAP measure. For more information, see the section in this press release entitled, "NON-GAAP MEASURES."

2026 GUIDANCE

(in $ millions, unless otherwise stated)		Total
Gold produced (koz)		**260 — 300**
Gold operating cash costs per ounce sold ($/oz sold)(1)(2)(3)	$	**1,250 — 1,400**
Gold AISC per ounce sold ($/oz sold)(1)(2)(3)(4)	$	**1,950 — 2,250**
Royalties(2)	$	**25 — 35**
Sustaining capital(1)(5)	$	**120 — 165**
Porcupine - Growth capital(1)(5)	$	**195 — 235**
Cordero - Fees and capital	$	**90 — 100**
Exploration (capital & expensed)	$	**55 — 75**
Corporate G&A(4)	$	**35 — 40**

(1) Example of Non-GAAP measure. See the section in this press release entitled, “NON-GAAP MEASURES” for more information.
(2) Ounces delivered in-kind under the Franco Nevada royalty arrangement are excluded for the purposes of operating cash costs per ounce sold, gold AISC per ounce sold, and average realized gold price per ounce sold.
(3) Royalty expense is included in gold operating cash cost and gold AISC per ounce sold. Royalty expense does not include costs related to the Franco Nevada Royalties.
(4) Corporate G&A and gold AISC exclude share-based compensation.
(5) Capitalized exploration is excluded from sustaining and growth capital expenditures and is provided in exploration guidance.
(6) Based on, where applicable, a USD/CAD exchange rate of 1.36, a USD/MXN$ exchange rate of 18.0.

Discovery’s full-year guidance for 2026 was announced in a press release dated February 19, 2026. The guidance remains unchanged and does not include updates for the Kidd Operations, as work continues to integrate the Kidd Operations into Discovery after one month of operation during Q2 2026. As previously disclosed, production is expected to be weighted towards the second half of the year, while average gold operating cash costs per ounce sold[1] and gold AISC[1] per ounce sold are projected to be highest in the first half of the year.

Targets for both sustaining[1] and growth[1] capital expenditures in 2026 reflect planned investment in support of the Company’s vision to more than double gold production, to over half a million ounces per year, with a cost profile in the lower half of the global cost curve. The Company’s guidance also includes a significant commitment to exploration given the substantial potential that exists to convert and expand mineral resources at existing operations and to identify new resources at the Porcupine Operations, near-term projects and regional targets.

Gold Production

Gold production in YTD 2026 totaled 127,578 ounces. Consistent with the Company's business plan for the year, quarterly production in 2026 is expected to increase during the second half of the year, largely reflecting an increase in tonnes processed, planned improvement in the average grade, and the anticipated benefits of capital investments to optimize operations at Hoyle Pond, Borden and Pamour. The Company remains on track to achieve the 2026 production guidance of 260,000 – 300,000 ounces.

Unit Costs

Gold operating cash costs per ounce sold and gold AISC per ounce sold averaged $1,401 and $2,101, respectively, for YTD 2026, compared to full-year guidance of $1,250 – $1,400 and $1,950 - $2,250, respectively. Unit costs are expected to improve during the second half of 2026 as production and sales volumes increase and benefits are realized from investments to optimize the Company's operations. The Company remains on track to achieve both gold operating cash costs per ounce sold and gold AISC per ounce sold guidance for 2026. Gold AISC of $2,101 excludes the $103 per ounce impact of share-based compensation.

Royalties

Royalty expense YTD 2026 totaled $12.7 million compared to full-year 2026 guidance of $25 – $35 million. Royalty expense is highly dependent on the average realized gold price and will fluctuate based on the commodity cycle. Royalty expense primarily relates to agreements with First Nations groups and private interests at Borden and, to a lesser extent, at Hoyle Pond and Pamour. The Company continues to target royalty expense of $25 - $35 million for full-year 2026.

Sustaining Capital Expenditures

Sustaining capital expenditures for 2026 are projected to be $120 – $165 million, with $57.2 million incurred YTD 2026. Expenditures during the year are primarily focused on work to buttress the TMA6 at the Dome property, as well as ongoing investment in capital improvements at the Dome Mill and new mobile equipment and improved infrastructure at Hoyle Pond and Borden. The $57.2 million of sustaining capital expenditures during YTD 2026 were lower than planned, mainly reflecting the timing for delivery of new mobile equipment and for construction work at the TMA6 project. Capital development expenditures at Hoyle Pond and Borden during YTD 2026 were in line with expectations. The Company's guidance for full-year 2026 sustaining capital expenditures remains unchanged at $120 - $165 million.

Porcupine Growth Capital Expenditures

Growth capital expenditures at Porcupine, excluding capitalized exploration expenditures, are targeted at $195 – $235 million. For YTD 2026, growth capital expenditures totaled $82.8 million, mainly related to investments at the TMA6 to increase tailings capacity through additional raises and to execute a new deposition strategy, continued pre-stripping at Pamour, as the mine ramps up towards commercial levels of operation, infrastructure work at Pamour and work to construct a camp at Borden. Growth capital expenditure guidance for full-year 2026 remains unchanged.

Cordero

Fees and growth capital related to Cordero are expected to total $90 – $100 million. A significant component of planned expenditures at Cordero relates to the anticipated payment of the change for the land use permit fee. This permit, and payment of the related fee, will follow the approval of the MIA application by the SEMARNAT. Total expenditures for YTD 2026 were $2.4 million, mainly related to salaries and benefits.

Exploration

Total exploration expenditures in 2026, including both capitalized and expensed expenditures, are targeted at $55 – $75 million, with $27.2 million incurred YTD 2026. The Company's exploration work program for the year involves an estimated 255,000 – 280,000 metres of drilling, as well as 1,200 – 1,400 metres of exploration development. During YTD 2026, a total of 139,288 metres were drilled and 307 metres of exploration development were completed. A significant portion of planned exploration development, including the Owl Creek Exploration Drift, is scheduled for the second half of 2026. The Company continues to target full-year 2026 capitalized and expensed expenditures of $55 – $75 million.

Capital exploration expenditures incurred YTD 2026 totaled $13.9 million and are targeted at $25 – $35 million for the full year. Capital drilling during the quarter mainly related to ongoing resource conversion and expansion drilling at Hoyle Pond, Borden and Pamour.

Key targets include the S Zone Deep and XMS Zone at Hoyle Pond, the further northeast extension of the Main Zone and infill of the Far West and East Lower Zones at Borden, and within and along strike of all three phases of the Pamour pit design. Capitalized exploration expenditures also include planned drilling at Dome designed to upgrade and add confidence to current inferred resources located on the edges and below the historic Dome pit. In addition, the Company is also targeting completion of 500 – 1,000 metres of underground exploration development at Hoyle Pond and Borden.

Expensed exploration expenditures in 2026 are targeted at $30 – $40 million, with total expenditures of $13.3 million incurred YTD 2026. Drilling during the period focused on the mid-mine at Hoyle Pond, at the TVZ Zone adjacent to Hoyle Pond, and at Owl Creek, three kilometres west along the Hoyle Pond volcanic belt. Other key targets for expensed exploration for the quarter include the down plunge extension of the Main Zone at Borden, and several targets around Pamour, including the Pamour West area, North Contact and the Keora Trend.

As at August 12, 2026, the Company had up to 23 exploration drill rigs operating. A breakout of drill-rig locations and related targets is provided below:

Hoyle Pond: Seven underground drills – Two drills involved in resource conversion and extension drilling of the S Zone, one drill targeting the 1060 fault target, one drill targeting the parallel 1060 target, one drill targeting the SUPP, one drill targeting the VAZ lower target, and one drill targeting the UM4 zone.

TVZ Zone: Three underground drills – One drill on the 1210 level and one drill on the 1410 level primarily focused on infilling and extending mineralization proximal to historic drilling, and one drill on the 1680 level testing the down plunge extension of mineralization.

Owl Creek: Two surface drills – Drilling focused on infill and extension of mineralization at both the Owl Creek and the 750 Zones.

Borden: Five drills (three underground and two surface) – Three drill rigs involved in infill and expansion drilling targeting the Main (Deep) Zone to the northeast, with two surface drills exploring to the northeast of the mine.

Pamour: Four surface drills – One drill focused on the Pamour open pit area, one drill at Pamour West, one drill on the Keora trend and one drill at the North Contact Zone.

Dome: Two surface drills – One drill located in the southwest portion of the historic open pit and the other one on the north side, with drilling continuing to evaluate additional drill targets to the north, south and west sides of the pit.

Corporate G&A

Corporate G&A in 2026 is estimated at $35 – $40 million, with $25.8 million incurred YTD 2026, of which $7.3 million related to the acquisition of the Kidd Operations and management changes. Expenditure levels in 2026 reflect the full-year impact of the Company's transformation into a growing Canadian gold producer, and the related strengthening of organizational capabilities across operations, exploration, and corporate functions, such as finance and information technology. The Company remains on track to be within the guidance range for full-year 2026, excluding the $7.3 million of expenses referenced above.

(1) Example of Non-GAAP measure. See the section in this press release entitled, NON-GAAP MEASURES, for more information.

ABOUT DISCOVERY

Discovery Mining Ltd. is a growing precious metals company that is creating value for stakeholders through exposure to gold, silver and other critical minerals. Discovery is advancing plans to more than double annual gold production through investment in the Company's Porcupine assets, which include multiple operations, attractive growth projects and significant exploration upside in one of the world's most renowned gold camps in and near Timmins, Ontario. The acquisition of the Kidd Operations in June 2026 further increased Discovery's land position within the camp, provided valuable infrastructure that will support the Company's growing gold business, and added critical minerals to the Company's current production profile. Discovery's silver exposure comes mainly from the 100%-owned Cordero project, one of the world's largest undeveloped silver deposits, which is located close to infrastructure in a prolific mining belt in Chihuahua State, Mexico.

On Behalf of the Board of Directors,
Tony Makuch, P. Eng
President, CEO & Chairman

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QUALIFIED PERSON

The scientific and technical information in this press release was reviewed and approved by Johannes (Gertjan) Bekkers, P.Eng, the Vice President, Technical Services for the Company and Eric Kallio, the Senior Vice President, Exploration and Growth for the Company, both of whom are recognized as Qualified Persons ("**QP**") under the guidelines of National Instrument 43-101 – Standards of Disclosure for Mineral Projects ("**NI 43-101**").

Scientific and technical information in this press release with respect to the Company's Cordero project has been prepared and presented based on the technical report entitled "Cordero Silver Project, Technical Report and Feasibility Study" with an effective date of February 16, 2024, as filed on SEDAR+ which was completed by Ausenco Engineering Canada ULC, with support of AGP Mining Consultants Inc., WSP USA Inc. and RedDot3D Inc. The mineral reserve estimate was completed under the supervision of Wille Hamilton, P.Eng. Of AGP and the mineral resource estimate was completed under the supervision of R. Mohan Srivastava, P.Geo, both of whom are independent QPs as such term is defined in NI 43-101.

NON-GAAP MEASURES

The Company has included certain non-GAAP measures in this document, as detailed below. In the mining industry, these are common performance measures and ratios but may not be comparable to similar measures or ratios presented by other issuers and the non-GAAP measures and ratios do not have any standardized meaning. Accordingly, these measures and ratios are included to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS Accounting Standards. These measures do not have any standardized meaning prescribed under IFRS, and therefore may not be comparable to other issuers.

Free Cash Flow

Free Cash Flow is a non-GAAP performance measure that is calculated as cash flows from operations net of cash flows invested in mineral property, plant, and equipment and exploration and evaluation assets. The Company believes that this measure is useful to the external users in assessing the Company's ability to generate cash flow after capital investments and build the cash resources of the Company.

Free cash flow is reconciled to the amounts included in the Consolidated Statements of Cash Flows as follows:

	Three months ended			Six months ended	
$ Thousands	**June 30, 2026**	June 30, 2025	March 31, 2026	**June 30, 2026**	June 30, 2025
Net cash provided by operating activities before working capital adjustments	**$ 130,030**	$ 39,698	$ 128,416	**$ 258,446**	$ 34,674
Working capital adjustments[1]	**(56,053)**	27,383	(85,448)	**(141,501)**	26,331
Net cash provided by operating activities	**$ 73,977**	$ 67,081	$ 42,968	**$ 116,945**	$ 61,005
Mineral interests and PPE additions	**(85,414)**	(39,766)	(67,057)	**(152,471)**	(43,533)
Free cash flow	**$ (11,437)**	$ 27,315	$ (24,089)	**$ (35,526)**	$ 17,472

(1) Working capital adjustments include changes in accounts receivable, accounts payable, inventory and taxes.

Sustaining and Growth Capital

Sustaining capital and growth capital are non-GAAP measures. Sustaining capital is defined as capital required to maintain current operations at existing levels. Growth capital is defined as capital expenditures for major growth projects or enhancement capital for significant infrastructure improvements at existing operations. Both measurements are used by management to assess the effectiveness of investment programs.

$ Thousands		Three months ended June 30, 2026		June 30, 2025		March 31, 2026		Six months ended June 30, 2026		June 30, 2025
Sustaining capital	**$**	**36,538**	$	16,122	$	20,689	**$**	**57,227**	$	16,158
Growth capital(1)		**49,911**		28,053		49,215		**99,126**		31,145
Total capital expenditures		**86,449**		44,211		69,904		**156,353**		**48,074**
Working capital changes		**(1,035)**		(4,409)		(2,847)		(3,882)		(3,770)
Additions to mining interests, plant and equipment(2)	**$**	**85,414**	$	39,766	$	67,057	**$**	**152,471**	$	43,533

(1) Growth capital includes capitalized exploration expenditures of $13.9 million that meet the Company's definition of growth capital.
(2) Represents cash expenditures for additions to mining interests, plant and equipment during the period, as reported in the Condensed Consolidated Interim Statements of Cash Flows.

Operating Cash Costs, Operating Cash Costs per Ounce Sold, and Operating Cash Costs per Pound Sold

Operating cash costs, operating cash costs per ounce sold, and operating cash costs per pound sold are non-GAAP measures. In the gold mining industry, these metrics are common performance measures but do not have any standardized meaning under GAAP. Operating cash costs include mine site operating costs such as mining, processing, administration and royalty expenses but exclude depreciation and depletion and reclamation costs. Operating cash cost per ounce sold is based on ounces sold and is calculated by dividing operating cash costs by volume of gold ounces sold. Operating cash cost per pound sold is based on pounds sold and is calculated by dividing operating cash costs, net of by-product credits, by the volume of copper and zinc pounds sold. By-product credits are applied as a reduction to the operating cash costs of the metal from which the by-product is derived.

The Company discloses operating cash costs, operating cash cost per ounce sold, and operating cash costs per pound as it believes the measures provide valuable assistance to investors and analysts in evaluating the Company's operational performance and ability to generate cash flow. The most directly comparable measure prepared in accordance with GAAP is production costs. Operating cash costs, operating cash costs per ounce sold, and operating cash costs per pound should not be considered in isolation or as a substitute for measures prepared in accordance with GAAP.

Gold AISC and Gold AISC per Ounce Sold

Gold AISC and gold AISC per ounce sold are non-GAAP measures. These measures are intended to assist readers in evaluating the total costs of producing and selling gold from current operations. While there is no standardized meaning across the industry for this measure, the Company's definition conforms to the definition of AISC as set out by the World Gold Council in its guidance note dated June 27, 2013, except for share-based compensation as disclosed below.

The Company defines gold AISC as the sum of operating costs (as defined and calculated above), sustaining capital, exploration expense, corporate expenses, lease payments relating to sustaining assets, and reclamation cost accretion and depreciation related to current operations. Corporate expenses include general and administrative expenses, net of transaction related costs, severance expenses for management changes and interest income. Gold AISC excludes growth capital expenditures, growth exploration expenditures, reclamation cost accretion and depreciation not related to current operations, lease payments related to non-sustaining assets, interest expense, debt repayment, taxes and share-based compensation.

Operating cash costs and Gold AISC Reconciliation

The following tables reconcile these non-GAAP measures to the most directly comparable GAAP measures available for Q2 2026, Q1 2026, Q2 2025, YTD 2026 and YTD 2025:

$ Thousands unless otherwise stated	Gold (Porcupine)	Corporate	Gold Consolidated
		Three months ended June 30, 2026	
Production costs	**89,694**	—	**89,694**
Royalty expense	**5,625**	—	**5,625**
TSA[(1)]	**(5,709)**	—	**(5,709)**
PPA inventory[(2)]	**(1,858)**	—	**(1,858)**
Gold operating cash costs	**87,752**	—	**87,752**
General and administrative[(3)]	**1,836**	6,359	**8,195**
Accretion of site closure provisions	**3,070**	—	**3,070**
Amortization of site closure provision	**853**	—	**853**
Sustaining capital	**33,866**	1,500	**35,366**
Sustaining leases	**935**	98	**1,033**
Gold AISC	**128,312**	7,957	**136,269**
Ounces of gold sold[(4)]	**63,255**	—	**63,255**
Gold operating cash costs per ounce sold ($)	**1,387**	—	**1,387**
Sustaining capital expenditures per ounce sold ($)	**535**	—	**559**
Gold AISC per ounce sold ($)	**2,028**	—	**2,154**

$ Thousands unless otherwise stated	Gold (Porcupine)	Corporate	Gold Consolidated
		Six Months Ended June 30, 2026	
Production costs	**165,878**	—	**165,878**
Royalty expense	**12,683**	—	**12,683**
TSA[(1)]	**(8,286)**	—	**(8,286)**
PPA inventory[(2)]	**(1,858)**	—	**(1,858)**
Gold operating cash costs	**168,417**	—	**168,417**
General and administrative[(3)]	**3,895**	14,009	**17,904**
Accretion of site closure provisions	**6,140**	—	**6,140**
Amortization of site closure provision	**1,836**	—	**1,836**
Sustaining capital	**52,852**	3,203	**56,055**
Sustaining leases	**1,913**	196	**2,109**
Gold AISC	**235,053**	17,408	**252,461**
Ounces of gold sold[(4)]	**120,182**	—	**120,182**
Gold operating cash costs per ounce sold ($)	**1,401**	—	**1,401**
Sustaining capital expenditures per ounce sold ($)	**440**	—	**466**
Gold AISC per ounce sold ($)	**1,956**	—	**2,101**

(1) Costs not reflective of normal operations.
(2) Purchase price allocation represents the depletion of inventories acquired with the business combinations.
(3) Excludes certain items not reflective of normal operations.
(4) Ounces delivered in-kind under the Franco Nevada royalty arrangement are excluded for the purposes of operating cash costs per ounce sold, gold AISC per ounce sold, and average realized gold price per ounce sold.

$ Thousands unless otherwise stated	Gold (Porcupine)	Corporate	Gold Consolidated
			Three months ended March 31, 2026
Production costs	76,184	—	76,184
Royalty expense	7,058	—	7,058
TSA[1]	(2,577)	—	(2,577)
Gold operating cash costs	80,665	—	80,665
General and administrative[2]	2,059	7,650	9,709
Accretion of site closure provisions	3,070	—	3,070
Amortization of site closure provision	983	—	983
Sustaining capital	18,986	1,703	20,689
Sustaining leases	978	98	1,076
Gold AISC	106,741	9,451	116,192
Ounces of gold sold[3]	56,927	—	56,927
Gold operating cash costs per ounce sold ($)	1,417	—	1,417
Sustaining capital expenditures per ounce sold ($)	334	—	363
Gold AISC per ounce sold ($)	1,875	—	2,041

(1) Costs not reflective of normal operations.
(2) Excludes certain items not reflective of normal operations.
(3)Ounces delivered in-kind under the Franco Nevada royalty arrangement are excluded for the purposes of operating cash costs per ounce sold, gold AISC per ounce sold, and average realized gold price per ounce sold.

$ Thousands unless otherwise stated	Gold (Porcupine)	Corporate	Gold Consolidated
			Three and six months ended June 30, 2025
Production costs	54,919	—	54,919
Royalty expense	1,916	—	1,916
TSA[1]	(2,416)	—	(2,416)
Gold operating cash costs	54,419	—	54,419
General and administrative[2][3]	—	5,832	5,832
Share-based compensation[3]	—	1,953	1,953
Accretion of site closure provisions	2,076	—	2,076
Amortization of site closure provision	3,063	—	3,063
Sustaining capital[3]	14,775	1,347	16,122
Expensed exploration	659	—	659
Sustaining leases[3]	—	21	21
Gold AISC	74,992	9,153	84,145
Ounces of gold sold[4]	40,566	—	40,566
Gold operating cash costs per ounce sold ($)	1,341	—	1,341
Sustaining capital expenditures per ounce sold ($)	364	—	397
Gold AISC per ounce sold ($)	1,849	—	2,074

(1) Costs not reflective of normal operations.
(2) Excludes certain items not reflective of normal operations.
(3) 2025 results exclude G&A expense, share-based compensation costs and sustaining capital expenditures and lease expense incurred prior to April 15, 2025, the completion date of the Porcupine Acquisition.
(4) Ounces delivered in-kind under the Franco Nevada royalty arrangement are excluded for the purposes of operating cash costs per ounce sold, gold AISC per ounce sold, and average realized gold price per ounce sold.

$ Thousands unless otherwise stated	Three months ended June 30, 2026 Copper (Kidd)	Zinc (Kidd)
Production costs	**11,610**	7,305
PPA inventory[1]	**(2,851)**	(1,794)
By-product offsets (silver credit)	**(5,267)**	—
Operating cash costs	**3,492**	5,511
Metal sold (tonnes)	**1,230**	2,967
Operating cash costs per pound sold ($/lb)	**1.29**	0.84

(1) Purchase price allocation represents the depletion of inventories acquired with the business combinations.

Average Realized Price per Ounce Sold

In the gold mining industry, average realized price per ounce sold is a common performance measure that does not have any standardized meaning. The most directly comparable measure prepared in accordance with GAAP is revenue from gold sales. Average realized price per ounce sold should not be considered in isolation or as a substitute for measures prepared in accordance with GAAP. The measure is intended to assist readers in evaluating the total revenues realized in a period from current operations.

	Three months ended			Six months ended	
$ Thousands unless otherwise stated	**June 30, 2026**	June 30, 2025	March 31, 2026	**June 30, 2026**	June 30, 2025
Gold Revenue	**$ 289,423**	$ 142,010	$ 285,035	**$ 574,458**	$ 142,010
Less: Deferred Revenue	**6,406**	—	5,609	**12,015**	—
Sales Refined Gold	**$ 283,017**	$ 142,010	$ 279,426	**$ 562,443**	$ 142,010
Ounces sold[1]	**63,255**	42,550	56,927	**120,182**	42,550
Average realized gold price per ounce sold ($)	**$ 4,474**	$ 3,337	$ 4,908	**$ 4,680**	$ 3,337

(1) Ounces delivered in-kind under the Franco Nevada royalty arrangement are excluded for the purposes of operating cash costs per ounce sold, gold AISC per ounce sold, and average realized gold price per ounce sold.

Adjusted Net Earnings and Adjusted Net Earnings per Share

Adjusted net earnings and adjusted net earnings per share are used by management and investors to measure the underlying operating performance of the Company. Adjusted net earnings is defined as net earnings adjusted to exclude the after-tax impact of specific items that are significant, but not reflective of the underlying operations of the Company, including foreign exchange gains and losses and other non-recurring items. Adjusted net earnings per share is calculated using the weighted average number of shares outstanding for adjusted net earnings per share.

$ Thousands unless otherwise stated		June 30, 2026		June 30, 2025		March 31, 2026		June 30, 2026		June 30, 2025
						Three months ended				**Six months ended**
Net earnings	**$**	**52,149**	$	5,534	$	81,679	**$**	**133,828**	$	(918)
Business development expenses		**2,703**		16,619		—		**2,704**		20,153
Foreign exchange loss (gain)		**1,369**		6,821		(1,732)		**(363)**		6,693
TSA		**5,709**		2,416		2,577		**8,286**		2,416
Severance		**2,790**		—		1,766		**4,556**		—
Payment to First Nations in connection with the Kidd Transaction		**5,380**		—		—		**5,380**		—
PPA adjustment - inventory		**6,503**		—		—		**6,503**		—
Reclamation expense - discount rate		**1,530**		—		—		**1,530**		—
Deferred tax on Kidd reclamation		**19,730**		—		—		**19,730**		—
Income tax related to above		**(5,557)**		(2,956)		(1,568)		**(7,125)**		(2,956)
Adjusted net earnings	**$**	**92,306**	$	28,434	$	82,722	**$**	**175,029**	$	25,388
Weighted average shares outstanding –		**811,222**		735,616		810,063		**810,659**		569,293
Adjusted net earnings per share ($)	**$**	**0.11**	$	0.04	$	0.10	**$**	**0.22**	$	0.04

(1) Non-recurring accounting remeasurement from IFRS 3 Business Combinations to IAS 37 Provisions, Contingent Liabilities, and Contingent Assets related to non-operating mine sites acquired through the Porcupine acquisition.
(2) Represents a one-time deferred tax expense of $19.7 million arising from the remeasurement of the Kidd reclamation provision, reflecting the required change in discount rate methodology from the IFRS 3 acquisition-date fair value to subsequent measurement under IAS 37, with no change to the underlying estimated reclamation and closure costs.

EBITDA

EBITDA represents net earnings before interest, taxes, depreciation and amortization. EBITDA is an indicator of the Company's ability to generate liquidity by producing operating cash flow to fund working capital needs, service debt obligations, and fund capital expenditures.

The following is a reconciliation of EBITDA to the consolidated financial statements:

$ Thousands		June 30, 2026		June 30, 2025		March 31, 2026		June 30, 2026		June 30, 2025
						Three months ended				**Six months ended**
Net earnings	**$**	**52,149**	$	5,534	$	81,679	**$**	**133,828**	$	(918)
Add back:										
Finance costs		**16,653**		14,307		14,978		**31,631**		14,433
Depreciation and amortization		**40,589**		16,384		31,576		**72,165**		16,384
Income tax expenses (recovery)		**60,603**		18,976		49,692		**110,295**		18,976
EBITDA	**$**	**169,994**	$	55,201	$	177,925	**$**	**347,919**	$	48,875

Working Capital

Working capital is a non-GAAP measure. In the gold mining industry, working capital is a common measure of liquidity, but does not have any standardized meaning. The most directly comparable measure prepared in accordance with GAAP is current assets and current liabilities. Working capital is calculated by deducting current liabilities from current assets. Working capital should not be considered in isolation or as a substitute for measures prepared in accordance with GAAP. The measure is intended to assist readers in evaluating the Company's liquidity. Working capital is reconciled to the amounts in the Consolidated Statements of Financial Position as follows:

$ Thousands		**June 30, 2026**		December 31, 2025
Current assets	**$**	**552,883**	$	526,807
Current liabilities		**282,152**		284,631
Working capital	**$**	**270,731**	$	242,176

FORWARD-LOOKING STATEMENTS

Except for statements of historical fact, information contained, or incorporated by reference, herein constitutes "forward-looking information" and "forward-looking statements" within the meaning of applicable securities laws. Such information or statements may relate to future events, facts or circumstances or the Company's future financial or operating performance or other future events or circumstances. Forward-looking information is often, but not always, identified by the use of words such as "seek", "anticipate", "plan", "continue", "planned", "expect", "project", "predict", "potential", "targeting", "intends", "believe", and similar expressions, or describes a "goal", or variation of such words and phrases or states that certain actions, events or results "may", "should", "could", "would", "might" or "will" be taken, occur or be achieved. Statements relating to mineral resources are deemed to be forward-looking statements, as they involve the implied assessment, based on certain estimates and assumptions, that the mineral resources described exist in the quantities predicted or estimated or that it will be commercially viable to produce any portion of such resources. Forward-looking statements in this press release include, but may not be limited to, statements and expectations regarding: outlooks for the Porcupine Complex, the Kidd Operations, and the Cordero Project pertaining to production rates, mining and processing rates, total cash costs, all-in sustaining costs, capital spending, cash flow, operational performance, mine life, value of operations and decreases to costs resulting from the intended mill expansions; the additional potential processing capacity at the Kidd Met Site and anticipated benefits and timing associated therewith; the ability for the mill expansion at the Kidd Met Site to support the future growth of Hoyle Pond, Borden and Pamour; the timing with respect to the potential expansion of the Dome Mill; intended infrastructure investments in, method of funding for, and timing of completion of the development and construction of the Cordero Project, as well as other statements and information as to strategy, plans or future financial and operating performance, such as project timelines, production plans, expected sustainable impact improvements, expected exploration programs, costs and budgets, forecasted cash shortfalls and the ability to fund them and other statements that express management's expectations or estimates of future plans and performance, as well as the anticipated use of proceeds therefrom and the impact thereof on Discovery's financial condition; and the Porcupine Complex, including the assumptions and qualifications contained in the Porcupine Technical Report (as defined herein) and the February 2024 Feasibility Study (as defined herein). Forward-looking statements and forward-looking information are not guarantees of future performance and are based upon a number of estimates and assumptions of management at the date the statements are made, including among other things, the future prices of gold, silver, lead, zinc, and other metals, the price of other commodities such as coal, fuel and electricity, currency exchange rates and interest rates; favourable operating conditions, political stability, timely receipt of governmental approvals, licenses, and permits (and renewals thereof); access to necessary financing; stability of labour markets and in market conditions in general; availability of equipment; the estimation of mineral resource and mineral reserve estimates, and of any metallurgical testing completed to date; estimates of costs and expenditures to complete our programs and goals; the speculative nature of mineral exploration and development in general; there being no significant disruptions affecting the development and operation of the project, including possible pandemic; exchange rate assumptions being approximately consistent with the assumptions in the report; the availability of certain consumables and services and the prices for power and other key supplies being approximately consistent with assumptions in the report; labour and materials costs being approximately consistent with assumptions in the report and assumptions made in mineral resource estimates, including, but not limited to, geological interpretation, grades, metal price assumptions, metallurgical and mining recovery rates, geotechnical and hydrogeological assumptions, capital and operating cost estimates, and general marketing, political, business and economic conditions. Many of these assumptions are inherently subject to significant business, social, economic, political, regulatory, competitive and other risks and uncertainties, contingencies, and other factors that are not within the control of Discovery Mining Ltd. and could thus cause actual performance, achievements, actions, events, results or conditions to be materially different from those projected in the forward-looking statements and forward-looking information.

Forward-looking information and forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any other future results, performance or achievements expressed or implied by such statements. In addition to factors already discussed in this document, such risks, uncertainties and other factors include, among others: metal prices, continued access to capital and financing, general economic and market access restrictions or tariffs, changes in U.S. laws and policies regarding regulating international trade, including but not limited to changes to or implementation of tariffs, trade restrictions, or responsive measures of foreign and domestic governments, changes to cost and availability of goods and raw materials, along with supply, logistics and transportation constraints, changes in general economic conditions including market volatility due to uncertain trade policies and tariffs; potential disputes with Indigenous groups in relation to the Porcupine Complex; risks relating to the acquisition of the Kidd Operations; the potential cost synergies associated with closing the Kidd transaction; the future expansion potential associated with the closing of the Kidd transaction and the ability to grow processing capacity as a result thereof; risks related to the nature of acquisitions; the ability to meet of guidance; reliance on information about the Porcupine Complex provided by third parties; risks related to integrating the Porcupine Complex; litigation and public attitude towards the Porcupine Acquisition; risks associated with exploration, development, and operating risks, and risks associated with the early-stage status of the Company's mineral properties; the nature of exploration could have a negative effect on the Company's operations and valuation; risk related to the cyclical nature of the mining business; permitting and license risks; risks related to title to land and the potential acquisition of neighboring land packages and the timing thereof; risks related to requiring a significant supply of water for the Company's operations and being able to source it; the availability of adequate infrastructure for the Company's operations; risks related to community relations; environmental risks and hazards and the limitations that environmental regulation poses on the Company; market price volatility of the Company's common shares; uncertainties with respect to economic conditions; the Company's mineral exploration activities being subject to extensive laws and regulations and the risk of failing to comply with those laws or obtain required permits; the accuracy of historical and forward-looking operational and financial information estimates provided by Newmont and Glencore Canada Corporation; the Company's ability to integrate the Porcupine Operations; the Kidd Operations; statements regarding the Porcupine Operations, the Kidd Operations, and the Cordero Project, including the results of technical studies and the anticipated capital and operating costs, sustaining costs , internal rate of return, concession or claim renewal, the projected mine life and other attributes of the Porcupine Operations, the Kidd Operations and the Cordero Project, including net present value, the timing of any environmental assessment processes, reclamation obligations; risks and uncertainties related to operating in a foreign country, and specifically, risks arising from operating in Mexico; risks posed by health epidemics and other outbreaks; climate change risks, including risks associated with increased frequency of natural disasters such as fire, flood and seismicity; the risk that commodity prices decline; cybersecurity risks; risks of adverse publicity; potential dilution to the common shares; risks associated with contractual agreements and subsidiaries; the potential of future lack of funding; credit and liquidity risks; the Company's history of net losses and negative operating cash flow; the Company's reliance on a limited number of properties; uninsurable risks; costs of land reclamation; pandemic and global health risks on the Company's business, operations, and market for securities; the competitive nature of mineral exploration and in the mining industry generally; the Company's reliance on specialized skills and knowledge; risks associated with acquisitions and integrating new business; future sales of common shares by existing shareholders; influence of third-party stakeholders; litigation risk; conflicts of interest; reliance on key executives; reliance on internal *controls; risks stemming from international conflicts; risks related to changes to tariff and import/ export regulations; global financial conditions; currency rate risks; potential enforcement under the Extractive Sector Transparency Measures Act (Canada); and the potential to pay future dividends.*

Although the Company has attempted to identify important factors that could cause actual performance, achievements, actions, events, results, or conditions to differ materially from those described in forward-looking statements or forward-looking information, there may be other factors that cause performance, achievements, actions, events, results, or conditions to differ from those anticipated, estimated, or intended. Further details relating to many of these factors is discussed in the section entitled "Risk Factors" in the Company's AIF available on SEDAR+ at www.sedarplus.ca. Forward-looking statements and forward-looking information contained herein are made as of the date of this press release and the Company disclaims any obligation to update or revise any forward-looking statements or forward-looking information, whether as a result of new information, future events, or results or otherwise, except as required by applicable law. There can be no assurance that forward-looking statements or forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements or forward-looking information. All forward-looking statements and forward-looking information attributable to the Company is expressly qualified by these cautionary statements.