

February 23, 2026

Hemlo Mining Corp. Announces Strong 2025 Gold Production of 143,458 Ounces (Including 20,192 Ounces in December) and Provides Operational Update

Toronto, Ontario – Hemlo Mining Corp. (TSXV: HMMC) (the “Company”), a new Canadian mid-tier gold producer, is pleased to provide an update on its 2025 gold production as well as 2026 operations program at the Hemlo Gold Mine (“Hemlo” or the “Mine”), located near Marathon, Ontario, Canada.

Highlights

- **Strong 2025 Production Performance** – The Hemlo Mine produced **143,458 ounces of gold in 2025**, including **20,192 ounces in December**, reflecting strong year-end execution and operational momentum.
- **Owner-Operator Transition (Hybrid Model)** – The Company is transitioning to an owner-operator mining model using a disciplined hybrid approach. **Manroc Developments Inc. (“Manroc”) will continue with Alimak mining and provide support in select areas during the transition**, ensuring operational continuity while enhancing cost control, workforce stability, and long-term value creation. The strategy prioritizes training and employment from surrounding communities.
- **Operational Optimization & Infrastructure Leverage** – A structured Action Plan is underway to maximize existing infrastructure and drive a progressive production ramp-up through 2026–2028, including:
 - Material handling improvements to increase haulage efficiency and reduce unit costs
 - Ventilation upgrades to support higher mining rates and deeper development
 - Enhanced ground support standards to improve safety, mining flexibility, and reduce costs
 - Optimized mine sequencing to improve dilution, grade control, production stability, and material handling
 - Mine and Mill recovery initiatives to increase overall gold recovery
- **2026 Guidance** – The Company expects to release 2026 production and cost guidance in Q3.

Jason Kosec, President and CEO of Hemlo Mining Corp., stated:

“2026 will be a pivotal year for Hemlo as we execute a disciplined plan to unlock the mine’s full potential. Our foremost priority is health, safety, and environmental performance, alongside strong team integration across the operation. Through a hybrid transition to an owner-operator model — with Manroc continuing Alimak mining — we are strengthening operational control and cost performance. Targeted initiatives in material handling, ventilation, ground support,

mine sequencing, and mine and mill recovery are designed to increase throughput and margins, fully leveraging our existing 7,100-tonne-per-day hoisting capacity and our 10,000-tonne-per-day milling capacity. Focused investments in 2026 position Hemlo for a production ramp-up over the next two years and sustainable long-term growth.”

2025 Gold Production

Full year 2025 gold production at the Hemlo Mine totaled **143,458 payable ounces** (including 140,448 tonnes grading 4.71 grams per tonne gold for 20,192 payable ounces gold in the month of December), representing the highest production from the Hemlo camp in the past four years. Full year 2025 production at Hemlo met previously stated production guidance (refer to Barrick news release dated February 12, 2025, available on Barrick Mining Corp.’s SEDAR+ profile). The strong production in 2025 was delivered despite being a transitional year for the operation, as the mine operated through a sale process and the transfer of ownership to Hemlo Mining Corp. on November 26, 2025. The Company intends to release 2026 production and cost guidance in Q3.

2026 Operational Program

Since acquiring the Hemlo Mine, the Company’s main objectives consist of optimizing the potential of the sizeable underground and surface infrastructure. Within the next two years, the Company plans to increase the underground mining rate to maximize the hoisting capacity which currently operates at approximately 60% capacity. The Hemlo Mine team has developed an Action Plan to drive performance and establish operational excellence in support of the Company’s vision for value creation and growth, including:

- **Health, Safety and Environment:** In the near term, and following the announcement on January 15th, of a new Vice President of Sustainability, the Company plans to perform an independent assessment of its Health, Safety and Environmental management systems, with an added focus on risk management and workplace culture across the operation, at all levels. Permitting work continues to support future tailings management plans and a closure plan update. A broader focus for 2026 will see the continued implementation of the Mining Association of Canada’s Towards Sustainable Mining (“TSM”) standard, a globally recognized sustainability program that supports mining companies in managing key environmental and social risks.
- **The transition to an owner-operator model** is a key factor underpinning the Company’s production ramp-up strategy, enhanced operational control, and reduction of operational costs.

Prior to using a contractor mining workforce, Hemlo was staffed primarily by local residents, with only a small number of (strategic) staff employed on a fly-in fly-out basis. At the moment, approximately 70% of contractor staff are sourced from local communities (Manitouwadge, Marathon, White River, and the communities of Biigtigong Nishnaabeg and Netmizaaggamig Nishnaabeg). Hemlo’s on-going investment in training and apprenticeship programs is a priority for the Company to develop the next generation of miners, ensuring a skilled workforce long into the future. Returning to an owner-operator Hybrid Model with our long-term partnership with Manroc is expected to deliver annual operating cost savings, facilitate communication and planning, improve productivity, and increase operational flexibility, while supporting local employment and workforce expansion to anchor a strong performance-driven operating culture at Hemlo. The Mine will continue to rely on specialized contractors for select activities; however, the majority of core mining operations will be performed internally by the Company.

To lead this transition, the Company has built a strong team with Eric Tremblay as Chief Operating Officer; Raphael Dutaut as Vice President, Exploration; Mike Tsafaras as Vice President, Engineering and Projects; Garrett Macdonald as Vice President,

Operations and General Manager; Perry Blanchard as Vice President, Sustainability and Dennis Bigras as Deputy General Manager. Working closely with the solid team already in place, the Company is executing a phased transition, restoring direct control over mining activities, workforce deployment, and development sequencing, with initial recruitment already underway and supported by a strong interest from the local and regional workforce.

- To support the production growth strategy, underground mining opportunities have been identified for execution in 2026, including:
 - Changes of mining method in select zones, from underhand to overhand, maximizing unconsolidated waste-rock backfilling for optimized materials handling, while introducing flexibility in mine sequencing
 - Increasing lateral development advances by focusing on tunnelling with the jumbo and using automation technology between shifts
 - Stopes in addition to previous plans, of both high margin and lower-grade bulk tonnage type, located in B-Zone in proximity to the underground crusher and hoist, to increase material handling infrastructure utilization and capacity
 - Development of new ventilation systems to access deep ore at the C-Zone and allow for increased equipment and personnel in work areas
 - Rehabilitation of development drifts within past-producing areas to re-access and restart production of parallel zones left behind due to lower gold prices at the time of mining
- An investment of over US\$30 million for 21 new pieces of mobile equipment to be delivered throughout 2026, including scooptrams, haul trucks, development jumbos, bolters, and production service equipment (Figure 1.). These additions are expected to support a meaningful increase in mine productivity, accelerate development advancement rates, and reduce bottlenecks across the mining cycle. As the life of mine plan is continually refined, the Company expects that more equipment will be introduced in 2027, as part of a continuing program to expand and modernize the mine fleet.

Figure 1. New Sandvik TH430 – 30 tonne haul truck, delivered to the Hemlo Mine



- Metallurgical recovery for gold at Hemlo has been very high, and in 2025 averaged 94%. To accommodate the planned mining rate increase, a plan to upgrade the process plant infrastructure is underway, consisting of:

- Redesign of the SAG mill liners and replacement of the on-stream analyzer to provide faster and more accurate information to mill operators
- Process optimization focusing on liberation, carbon management, leach efficiency and incorporating best practices
- Planned increases to production in 2026-2027 and beyond is being pursued in parallel to an ongoing 130,000 metre exploration drilling program (see Company's press-release dated January 29, 2026), technical studies, and mine planning optimization, supporting the higher annual output but also targeting an extension of mine life to maximize near term cash flow and net present value.

The Company has launched a focused Action Plan to ramp up production through 2026–2028 while strengthening long-term value at Hemlo. Disciplined investments in exploration, mine planning, the owner-operator transition, underground development, and fleet expansion are underway in early 2026, positioning the operation for improved cost performance and stronger margins as our production will increase from 2026 to the beginning of 2028. An updated mineral resource and mineral reserves estimate prepared in accordance with National Instrument 43-101 Standards of Disclosure for Mineral Projects ("NI 43-101") is planned for the second half of 2027.

Qualified Person

The scientific and technical information contained in this news release, has been reviewed and approved by Mike Tsafaras, P.Eng., the Company's Vice President, Engineering and Projects. Mr. Tsafaras is a "qualified person" as defined in NI 43-101.

Scientific and Technical Information

Scientific and technical information in this press release is derived from the Company's technical report titled "NI 43-101 Technical Report Hemlo Mine, Ontario, Canada" with an effective date of December 31, 2024 and a signature date of October 27, 2025, and the Company's news release dated January 26, 2026, copies of which have been filed on the Company's SEDAR+ profile at www.sedarplus.ca.

About Hemlo Mining Corp.

Hemlo Mining Corp. (previously Carcetti Capital Corp.) recently closed the acquisition of the Hemlo Gold Mine from Barrick Mining Corp. for aggregate consideration of up to US\$1.1 billion. The Hemlo Gold Mine is located 35 kilometers east of the town of Marathon, Ontario and has produced approximately 25 million ounces of gold from both underground and open pit operations since production began in 1985. The Company is looking to establish itself as a leading Canadian mid-tier growth-focused gold producer, with an immediate focus on maximizing the value of the Hemlo Gold Mine's existing infrastructure through a fit-for-purpose operating approach, while unlocking new opportunities through an aggressive brownfields exploration.

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Forward-looking Statements

This document contains certain forward-looking information and forward-looking statements within the meaning of applicable securities legislation (collectively, “forward-looking statements”). The use of words such as “expects”, “anticipates”, “plans”, “will,” “may”, “should” and similar expressions are intended to identify forward-looking statements. Forward-looking statements contained in this press release include statements regarding the Company’s transition to an owner-operator mining model using a hybrid approach; the Company’s structured Action Plan to maximize existing infrastructure and drive a progressive production ramp-up through 2026-2028; the Company’s expectation to release 2026 production and cost guidance in Q3 2026; the Company’s belief that its investments in 2026 will position Hemlo for a production ramp-up over the next two years and sustainable long-term growth; the Company’s expectation to perform an independent assessment of its Health, Safety and Environmental management systems; the Company’s expectation that returning to an owner-operator hybrid model will deliver annual operating cost savings, facilitate communication and planning, improve productivity and increase operational flexibility, while supporting local employment and workforce expansion to anchor a strong performance-driven operating culture at Hemlo; the Company’s expectation that the majority of core mining operations will be performed internally by the Company, while the Mine will continue to rely on specialized contractors for select activities; the Company’s expectation that its investment of over US\$30 million for 21 new pieces of mobile equipment to be delivered throughout 2026 will support a meaningful increase in mine productivity, accelerate development advancement rates and reduce bottlenecks across the mining cycle; the Company’s expectation that more equipment will be introduced in 2027 as part of a continuing program to expand and modernize the mine fleet; and the Company’s goals, plans, commitments, objectives and strategies.

These forward-looking statements are provided as of the date of this news release, or the effective date of the documents referred to in this news release, as applicable, and reflect predictions, expectations or beliefs regarding future events based on the Company’s beliefs at the time the statements were made, as well as various assumptions made by and information currently available to them. In making the forward-looking statements included in this news release, the Company has applied several material assumptions, including, but not limited to: the successful integration of Hemlo; the future price of gold; anticipated costs and the Company’s ability to fund its programs; the Company’s ability to carry on exploration, development, and mining activities; currency exchange rates remaining as estimated; prices for energy inputs, labour, materials, supplies and services remaining as estimated; the timing and results of operational plans; mineral reserve and mineral resource estimates and the assumptions on which they are based; the timely receipt of required approvals and permits; the timing of cash flows; the costs of operations; the Company’s ability to operate in a safe, efficient, and effective manner; the Company’s ability to obtain financing as and when required and on reasonable terms; that the Company’s activities will be in accordance with the Company’s public statements and stated goals; and that there will be no material adverse change or disruptions affecting the Company or Hemlo. Consequently, there can be no assurances that such statements will prove to be accurate and actual results and future events could differ materially from those anticipated in such statements.

We caution readers not to place undue reliance on these forward-looking statements. Forward-looking statements involve significant known and unknown risks and uncertainties, which could cause actual results to differ materially from those anticipated. These risks include, but are not limited to: uncertainty and variations in the estimation of mineral resources and mineral reserves; risks related to the Company’s anticipated indebtedness and gold stream obligations; risks related to exploration, development, and operation activities; political risks, delays in obtaining or failure to obtain governmental permits, or non-compliance with permits; environmental and other regulatory requirements; uncertainties related to title to mineral properties; water rights; risks related to natural disasters, terrorist acts, health crises,

and other disruptions and dislocations; financing risks and access to additional capital; risks related to guidance estimates and uncertainties inherent in the preparation of pre-feasibility studies; uncertainty in estimates of production, capital, and operating costs and potential production and cost overruns; the fluctuating price of gold; unknown liabilities in connection with the acquisition of Hemlo; global financial conditions; uninsured risks; climate change risks; competition from other companies and individuals; conflicts of interest; volatility in the market price of the Company's securities; the Company's limited operating history; litigation risks; the Company's ability to complete, and successfully integrate the acquisition of Hemlo; intervention by non-governmental organizations; outside contractor risks; risks related to historical data; risks related to the Company's accounting policies and internal controls; shareholder activism; and other risks associated with executing the Company's objectives and strategies.

Except as required by the securities disclosure laws and regulations applicable to the Company, the Company undertakes no obligation to update these forward-looking statements if management's beliefs, estimates or opinions, or other factors, should change.