



PAN AMERICAN
— SILVER —

2024 ANNUAL REPORT



PAN AMERICAN SILVER is a leading producer of silver and gold in the Americas, operating mines in Canada, Mexico, Peru, Brazil, Bolivia, Chile and Argentina. We also own the Escobal mine in Guatemala that is currently not operating, and we hold interests in large-scale exploration and development projects. We have been operating in the Americas for over three decades, earning an industry-leading reputation for sustainability performance, operational excellence and prudent financial management.

2024 OPERATING PERFORMANCE

Ag

21.1 MOZ

CONSOLIDATED PRODUCTION

\$18.98/OZ

SILVER SEGMENT ALL-IN SUSTAINING COST⁽¹⁾

468 MOZ

PROVEN + PROBABLE RESERVES⁽²⁾

Au

892.5 KOZ

CONSOLIDATED PRODUCTION

\$1,501/OZ

GOLD SEGMENT ALL-IN SUSTAINING COST⁽¹⁾

6.7 MOZ

PROVEN + PROBABLE RESERVES⁽²⁾

(1) Non-GAAP measure; please refer to the "Alternative Performance (non-GAAP) Measures" section on page 115 of this annual report for further information on this measure. Silver Segment all-in sustaining cost ("AISC") is calculated net of credits for realized revenues from all metals other than silver ("silver segment by-product credits"), and are calculated per ounce of silver sold. Gold Segment AISC is calculated net of credits for realized revenues from all metals other than gold ("gold segment by-product credits"), and are calculated per ounce of gold sold. These AISC figures exclude net realizable value inventory adjustments.

(2) See the mineral reserves and mineral resources on page 54 for further information. Certain of the statements and information in this annual report constitute "forward-looking statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995 and "forward-looking information" within the meaning of applicable Canadian provincial securities laws. Please refer to pages 115-116 at the end of this annual report for an important note to readers regarding forward-looking statements and information.

Message from the Board Chair

GILLIAN WINCKLER | BOARD CHAIR

In 2024, Pan American achieved several strategic objectives that position the Company well for the future. We continued to rationalize our portfolio following the Yamana acquisition, strategically invested capital in our producing mines, and advanced our organic opportunities, positioning the Company for strong, sustainable operations and long-term growth.

Pan American is well established as a leading precious metals miner in the Americas, given our diversified asset base and 30-year history of operating in the region. As a mining, commodity-based business, we must carefully manage the key determinants of continued success: protecting the health and safety of our workforce and communities, responsibly managing our environmental footprint, replacing reserves, controlling costs and prudently allocating capital. Pan American continues to work on all these elements, learning from our setbacks and capitalizing on our achievements, while all the time striving for a culture that is engaged, performance-driven and inclusive. I strongly believe this approach creates value for all our key stakeholders: communities, employees, and shareholders.

HEALTH AND SAFETY

Underpinning everything at Pan American is our commitment to provide a safe and healthy workplace for all employees and contractors. In 2024, we continued with the implementation of our “Doing Safety Differently” program and encouraged initiatives and ideas from our employees to promote a bottom-up learning approach. We added a new safety component to senior management’s compensation called “Corrective and Preventative Actions”, which is aimed at encouraging the exploration of new and innovative actions to improve safety. We also developed several new “leading” and “lagging” indicators to better assess our health and safety performance and prevent injuries.

Despite our continued focus and efforts on safety, we tragically experienced two fatalities in 2024. One fatality occurred at our Huaron mine in Peru, and the other fatality occurred at our Dolores site in Mexico. Both these individuals were valued colleagues and

friends, and the impact of these incidents is profound. As part of our response to these tragic events, we focused on providing support to the affected families and to our workforce, as they coped with the loss and grief. We have thoroughly investigated the incidents to learn what we can. Everyone at Pan American is aware that safety requires a relentless focus and we are committed to continuous improvement.



CERRO MORO, ARGENTINA

SUSTAINABILITY

As with safety, sustainability is fundamental to the way we do business and is a key part of our culture that is embedded in everything we do. It plays an essential role in how we manage our operations and create value for our stakeholders.

Our relationships with local communities are a core strength for our organization. Our communities are more than a stakeholder group, they are also collaborators in our operations and a home for many of our employees. We work with communities on topics such as economic development, water management and environmental impact. Mines have a finite life and

planning for reclamation and community resilience is a crucial component of our business. At our Dolores mine in Mexico and the Manantial Espejo mine in Argentina, we are currently developing social programs as part of the closure process. These programs are conducted by local teams that follow international standards, in a multi-stakeholder engagement model that promotes transparency, responsibility and accountability throughout the process.



Our relationships with local communities are a core strength for our organization. Our communities are more than a stakeholder group, they are also collaborators in our operations and are a home for many of our employees.

Pan American believes that a diverse and inclusive workforce is the foundation for success. We work hard to encourage diversity throughout the organisation. Over the past years, we have sought to build an environment across all our sites that is inclusive and respectful of everyone through our “Building Respect Together” program. I am pleased to note that this program has advanced well and in 2024, as in 2023, we achieved all the diversity goals we had set. We will continue to foster a workplace that demonstrates the positive impact of diverse perspectives and opinions.

The impacts of climate change are becoming increasingly evident, and we continue to make progress in our efforts to manage the associated risks and reduce our emissions. This year we surpassed our target for reducing annual GHG emissions, which keeps us on track to achieving our 2030 goal to reduce our global Scope 1 and Scope 2 GHG emissions by at least 30% from 2019 baseline emissions. In 2024, we also surpassed our target for reducing water consumption, reducing consumption by approximately 320,000m³.

Our commitment to environmental best practices includes the adoption of technology at our mine sites, such as the filtered tailings storage facility at our Huaron mine in Peru, which will begin operating in 2025.

A STRONG CULTURE AND WELL POSITIONED FOR FUTURE GROWTH

Early in 2024, my fellow directors and I visited our El Peñon and Jacobina sites, and later in the year I visited our teams in Peru, Bolivia, Chile, Argentina, Brazil and Guatemala with President and CEO, Michael Steinmann. These visits provided the opportunity to spend time with our workforce and to get a feel for the local operating context and cultures. The trust and respect amongst colleagues, the sense of teamwork and the sharing of best practices were evident and left me feeling gratified and confident for the future.

We ended 2024 with a very strong balance sheet and a portfolio of operating assets that enable us to focus on growth and meeting the high expectations of all our stakeholders. As we move forward and navigate our future challenges and opportunities, as well as the increased turbulence and polarisation that we see in the geopolitical landscape, I am confident in the capabilities of our workforce, our relationships with our local communities, and the experience of our leadership team.

On behalf of the Board, I would like to thank all our employees and contractors for their ongoing efforts and commitment, and our communities, suppliers, and shareholders for their continuing support.

Gillian Winckler | Board Chair
March 2025

Message from the CEO

MICHAEL STEINMANN | PRESIDENT AND CEO

Pan American's operational and financial results of 2024 demonstrated the strength of our expanded operations combined with buoyant commodity prices. It was the first full year operating the mines acquired through the Yamana Gold Inc. transaction, which closed on March 31, 2023. These assets, and the accomplished operating teams managing them, are now well integrated into our organization.

ACHIEVED 2024 PRODUCTION GUIDANCE

We achieved our production guidance for 2024 with 21.1 million ounces of silver and 892.5 thousand ounces of gold, while silver segment costs were marginally above guidance and gold segment costs were in line with guidance. Overall, our operations generated record free cash flow⁽¹⁾ of \$445.1 million in 2024.

For our shareholders, this translated into a 23.8% increase in the share price on the NYSE over 2024, outperforming the benchmark funds for precious metals - the GDXJ and the GDX - and on par with the return of the S&P 500. We also returned to shareholders \$145.4 million in aggregate dividends and \$24.3 million in share buybacks during 2024, while continuing to invest in our business.

SUCCESSFUL COMPLETION OF PROJECTS

Pan American successfully completed several projects in 2024. At our La Colorada silver mine in Mexico, new infrastructure to improve ventilation began operating in July. This has enabled a 51% increase in silver production and an 18% reduction in all-in sustaining costs⁽²⁾ in the second half of 2024 compared to the first half.

At our Huaron mine in Peru, we completed the construction of a new filter plant and filter-stack tailings storage facility, providing additional capacity for this long-life mine while enhancing environmental performance. At our Timmins operation in Canada, we completed the construction of a paste backfill plant at the Bell Creek mine. That plant is now fully operational and is expected to provide enhanced ground stability and increased mineral resource recovery.

While we achieved milestones in 2024, our top priority was to continue our strong safety performance of 2023. I am deeply saddened that we experienced two fatalities at our operations in 2024, one each at Dolores and Huaron. We are steadfast in our commitment to safety and continuing with the implementation of the "Doing



EL PEÑON, CHILE

Safety Differently” program. This initiative encourages the reporting of high potential incidents to identify areas where safety improvements are needed before they result in injury. Safety is the cornerstone of our approach to operational excellence, and we will not relent in our pursuit of improving safety across our operations.

ADVANCING GROWTH OPPORTUNITIES

Looking forward, we are focused on advancing opportunities for growth within our existing portfolio. Our La Colorada Skarn project in Mexico represents large scale, long-life silver and zinc production. Following further exploration and infill drilling of the deposit, the estimate for indicated mineral resources of contained silver increased by 69% to 308.7 million ounces.

The Jacobina mine in Brazil has proven to be one of the most valuable assets in our portfolio. Through investment in plant upgrades, we achieved record gold production in our first full year of ownership. Jacobina possesses extensive exploration potential for further upside. We are currently conducting a comprehensive study to evaluate opportunities to optimize the long-term economics of the mine, including potential changes to the mining method and productivity improvements, such as automating ore handling systems and streamlining the process flowsheet. These improvements could lead to expanded production capacity and reduced unit operating costs. We are aiming to share initial outcomes of the study in 2025.

Regarding our Escobal mine in Guatemala, the government of Guatemala is required to complete an ILO 169 consultation with the Xinka Indigenous People before the mining license for Escobal can be reinstated. This consultation process experienced delays until late August 2024 when a new Vice Minister of Sustainable Development was appointed to lead the process. Over the fourth quarter of 2024, several working meetings were held, and we look forward to advancing meaningful, transparent and respectful discussions in 2025.

WELL POSITIONED FOR THE FUTURE

Pan American is fortunate to hold some of the best silver projects globally. With a strong foothold in the Americas, where we have been operating for over 30 years, we believe this experience affords us an advantage in the region.

As we enter 2025, our balance sheet is in excellent shape. Total available liquidity of \$1.6 billion at the end of 2024, including cash and short-term investments of \$887.3 million and \$750 million available under the revolving Credit Facility, positions Pan American well to execute our strategic priorities.



Pan American is fortunate to hold some of the best silver projects globally. With a strong foothold in the Americas, where we have been operating for over 30 years, we believe this experience affords us an advantage in the region.

In closing, Pan American manages its operations by adhering to the following principles: providing a safe and healthy workplace, fostering respectful relationships with our communities and employees, investing in social and environmentally sustainable practices, and delivering strong operating margins through operational excellence.

The success of our approach is demonstrated by our performance in 2024, and we look forward to continuing that success in the coming years. This approach relies on the contribution of our stakeholders, and I wish to thank our employees, communities and our board of directors for helping to make Pan American the leading producer of silver and gold in the Americas.

Michael Steinmann | President & CEO
March 2025

(1) Free cash flow and all-in sustaining costs are non-GAAP measures; free cash flow is calculated as net cash generated from operating activities less sustaining capital expenditures.

(2) La Colorada AISC is calculated net of credits for realized revenues from all metals other than silver, and is calculated per ounce of silver sold, excluding net realizable value inventory adjustments.

Please refer to the "Alternative Performance (non-GAAP) Measures" section on page 115 of this annual report for further information on non-GAAP measures.

CONSOLIDATED RESULTS

	December 31, 2024	December 31, 2023
Weighted average shares during period (thousands)	363,361	326,540
Shares outstanding end of period (thousands)	363,041	364,660

	Year ended December 31,	
	2024	2023
FINANCIAL (in millions USD, except per share amounts)		
Revenue	\$ 2,818.9	\$ 2,316.1
Cost of Sales ⁽¹⁾	\$ 2,270.4	\$ 2,019.3
Mine operating earnings	\$ 548.5	\$ 296.8
Net earnings (loss)	\$ 112.7	\$ (104.9)
Basic earnings (loss) per share ⁽²⁾	\$ 0.31	\$ (0.32)
Adjusted earnings ⁽³⁾	\$ 286.7	\$ 39.3
Basic adjusted earnings per share ⁽²⁾⁽³⁾	\$ 0.79	\$ 0.12
Net cash generated from operating activities	\$ 724.1	\$ 450.2
Net cash generated from operating activities before changes in working capital ⁽³⁾	\$ 851.9	\$ 397.0
Sustaining capital expenditures ⁽³⁾	\$ 279.0	\$ 288.5
Non-sustaining capital expenditures ⁽³⁾⁽⁴⁾	\$ 101.4	\$ 141.3
Cash dividend per share	\$ 0.40	\$ 0.40
PRODUCTION		
Silver (thousand ounces)	21,061	20,437
Gold (thousand ounces)	892	883
Zinc (thousand tonnes)	45.1	38.8
Lead (thousand tonnes)	20.8	18.7
Copper (thousand tonnes)	5.2	5.0
CASH COSTS⁽³⁾ (\$/ounce)		
Silver Segment ⁽⁵⁾	14.30	13.07
Gold Segment ⁽⁵⁾	1,203	1,113
AISC⁽³⁾ (\$/ounce)		
Silver Segment ⁽⁵⁾	18.70	18.17
Silver Segment (excl. NRV) ⁽⁵⁾	18.98	17.91
Gold Segment ⁽⁵⁾	1,530	1,371
Gold Segment (excl. NRV) ⁽⁵⁾	1,501	1,416
AVERAGE REALIZED PRICES⁽⁶⁾		
Silver (\$/ounce)	28.06	22.94
Gold (\$/ounce)	2,388	1,951
Zinc (\$/tonne)	2,828	2,656
Lead (\$/tonne)	2,058	2,146
Copper (\$/tonne)	9,260	8,475

(1) Cost of Sales includes production costs, depreciation and amortization and royalties.

(2) Per share amounts are based on basic weighted average common shares.

(3) Non-GAAP measure; please refer to the "Alternative Performance (non-GAAP) Measures" section on page 115 of this annual report for further information on these measures.

(4) Non-sustaining capital expenditures primarily relate to project capital that is expected to increase future production.

(5) Silver Segment Cash Costs and AISC are calculated net of credits for realized revenues from all metals other than silver ("silver segment by-product credits"), and are calculated per ounce of silver sold. Gold Segment Cash Costs and AISC are calculated net of credits for realized revenues from all metals other than gold ("gold segment by-product credits"), and are calculated per ounce of gold sold.

(6) Metal prices stated are inclusive of final settlement adjustments on concentrate sales.

For historical financial and operating data, please see the Interactive Analyst Centre at panamericansilver.com



Management's Discussion and Analysis

FOR THE YEAR ENDED DECEMBER 31, 2024

February 19, 2025

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MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

INTRODUCTION

This Management's Discussion and Analysis ("MD&A") is intended to help the reader understand the significant factors that influence the performance of Pan American Silver Corp. and its subsidiaries (collectively "Pan American", "we", "us", "our" or the "Company") and such factors that may affect its future performance. This MD&A should be read in conjunction with the Company's audited consolidated financial statements for the year ended December 31, 2024 (the "2024 Annual Financial Statements") prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards"), and the related notes contained therein. All amounts in this MD&A, the 2024 Annual Financial Statements are expressed in United States dollars ("USD") unless identified otherwise.

This MD&A refers to various non-Generally Accepted Accounting Principles ("non-GAAP") measures, such as "All-in Sustaining Costs per ounce sold", "Cash Costs per ounce sold", "sustaining capital", "project capital", "adjusted earnings and loss" and "basic adjusted earnings and loss per share", "total debt", "capital", and "working capital", which are used by the Company to manage and evaluate operating performance at each of the Company's mines and are widely reported in the mining industry as benchmarks for performance, do not have standardized meanings under IFRS Accounting Standards, and the methodology by which these measures are calculated may differ from similar measures reported by other companies. To facilitate a better understanding of these non-GAAP measures as calculated by the Company, additional information has been provided in this MD&A. Please refer to the section of this MD&A entitled "Alternative Performance (Non-GAAP) Measures" for a detailed description of "All-in Sustaining Costs per ounce sold", "Cash Costs per ounce sold", "sustaining capital", "project capital", "adjusted earnings" and "basic adjusted earnings per share", "total debt", "capital", and "working capital" as well as details of the Company's by-product credits and a reconciliation, where appropriate, of these measures to the 2024 Annual Financial Statements.

Any reference to "Cash Costs" in this MD&A should be understood to mean Cash Costs per ounce of silver or gold sold, net of by-product credits (respectively, the "Silver Segment Cash Costs" or "Gold Segment Cash Costs"). Any reference to "AISC" in this MD&A should be understood to mean all-in sustaining costs per silver or gold ounce sold, net of by-product credits (respectively, the "Silver Segment AISC" or "Gold Segment AISC").

Except for historical information contained in this MD&A, the following disclosures are forward-looking statements within the meaning of the U.S. Private Securities Litigation Reform Act of 1995 and forward-looking information within the meaning of applicable Canadian provincial securities laws, or are future oriented financial information and as such, are based on an assumed set of economic conditions and courses of action. Please refer to the cautionary note regarding forward-looking statements and information at the back of this MD&A, the "Risks Related to Pan American's Business" contained in the Company's most recent Annual Information Form on file with the Canadian provincial securities regulatory authorities and Form 40-F on file with the U.S. Securities and Exchange Commission (the "SEC"). Additional information about Pan American and its business activities are available on SEDAR+ at www.sedarplus.ca and with the SEC on EDGAR at www.sec.gov/edgar.

CORE BUSINESS AND STRATEGY

Pan American engages in silver and gold mining and related activities, including exploration, mine development, extraction, processing, refining and reclamation. The Company owns and operates mines located in Canada, Mexico, Peru, Bolivia, Argentina, Chile and Brazil. We also own the Escobal mine in Guatemala that is currently not operating. In addition, the Company is exploring for new silver deposits and opportunities throughout the Americas. The Company is listed on the Toronto Stock Exchange (Symbol: PAAS) (the "TSX") and on the New York Stock Exchange (Symbol: PAAS) (the "NYSE").

Pan American's vision is to be the world's premier silver mining company, with a reputation for excellence in discovery, engineering, innovation and sustainable development. To achieve this vision, we base our business on the following strategy:

- Generate sustainable profits and superior returns on investments through the safe, efficient and environmentally sound development and operation of our assets.
- Constantly replace and grow our mineral reserves and mineral resources through targeted near-mine exploration and global business development.
- Foster positive long-term relationships with our employees, shareholders, communities and local governments through open and honest communication and ethical and sustainable business practices.
- Continually search for opportunities to upgrade and improve the quality of our assets, both internally and through acquisition.
- Encourage our employees to be innovative, responsive and entrepreneurial throughout our entire organization.

To execute this strategy, Pan American has assembled a sector-leading team of mining professionals with a depth of knowledge and experience in all aspects of our business, which enables the Company to confidently advance early-stage projects through construction and into operation.

STRATEGIC DISPOSITION

On December 2, 2024, the Company completed the previously announced divestment of its 100% interest in La Arena S.A. ("La Arena"), which owns the La Arena gold mine as well as the La Arena II project in Peru, to Jinteng (Singapore) Mining Pte. Ltd., a subsidiary of Zijin Mining Group Co., Ltd. (collectively, "Zijin").

In accordance with the share purchase agreement for the sale of La Arena ("SPA"), the Company received total cash proceeds of \$306.6 million, which was comprised of \$245.0 million of cash consideration, estimated net closing cash, and an estimated net working capital amount. The net working capital is subject to final adjustments as provided in the SPA.

Additionally, Zijin granted the Company a life-of-mine gold net smelter return royalty of 1.5% for the La Arena II project, and contingent consideration of \$50.0 million payable in cash ("Contingent Consideration") contingent upon the commencement of commercial production from the La Arena II project. The Contingent Consideration is also subject to certain adjustments as provided in the SPA relating to closure costs of the La Arena mine.

As part of the approval received from the Government of Canada under the Investment Canada Act, Pan American and La Arena entered into an offtake agreement in respect of the La Arena II project, which will enable Pan American to secure up to 60% of the future copper concentrate supply from the La Arena II project on commercial terms for sale in North American markets, following the commencement of commercial production.

2024 OPERATIONAL AND FINANCIAL HIGHLIGHTS

Silver production of 21.06 million ounces

Consolidated silver production for 2024 was 21.06 million ounces, 0.62 million ounces higher than the 20.44 million ounces produced in 2023. Silver and gold production in 2024 reflected a full twelve-month contribution from the Cerro Moro, Minera Florida, El Peñon and Jacobina mines acquired in 2023 (the “Acquired Mines”) as part of the acquisition of Yamana Gold Inc. (“Yamana”), completed on March 31, 2023 (the “Yamana Acquisition”).

Gold production of 892.5 thousand ounces

Consolidated gold production for 2024 was 892.5 thousand ounces, 9.6 thousand ounces higher than the 882.9 thousand ounces produced in 2023. Gold production for 2024 was a Company record, primarily reflecting the full-year contribution from the Acquired Mines.

Cash Costs⁽¹⁾ and All-In Sustaining Costs (“AISC”)⁽¹⁾

Silver Segment Cash Costs per ounce in 2024 were \$14.30, \$1.23 higher than in 2023. Gold Segment Cash Costs per ounce in 2024 were \$1,203, \$90 higher than the Cash Costs reported in 2023.

Silver Segment AISC excluding net realizable value (“NRV”) inventory adjustments for 2024 of \$18.98 per ounce (\$18.70 per ounce including NRV inventory adjustments) were \$1.07 per ounce higher than in 2023. Gold Segment AISC excluding NRV inventory adjustments for 2024 of \$1,501 per ounce (\$1,530 per ounce including NRV inventory adjustments) were \$85 per ounce higher than in 2023.

Income Statement, Cash Flow, Liquidity and Working Capital Position

Revenue in 2024 of \$2.8 billion was 22% higher than in 2023, primarily as a result of higher metal prices.

Net earnings of \$112.7 million, or \$0.31 basic earnings per share, in 2024 compared with the 2023 net loss of \$104.9 million, or \$0.32 basic loss per share. The increase was largely driven by a \$251.7 million increase in mine operating earnings, with the impact of other items largely offsetting each other, as described in the “Financial Performance” section of this MD&A.

Adjusted earnings⁽¹⁾ were \$286.7 million, or \$0.79 basic adjusted earnings per share in 2024, compared to adjusted earnings of \$39.3 million, or \$0.12 basic adjusted earnings per share in 2023.

Cash flow from operations generated \$724.1 million in 2024, compared to \$450.2 million in 2023.

Available liquidity and working capital as at December 31, 2024 was comprised of Working Capital⁽¹⁾ of \$1,033.4 million, inclusive of cash and short-term investments of \$887.3 million, and \$750.0 million available under the Company's revolving Sustainability-Linked Credit Facility (“SL-Credit Facility”). Total Debt⁽¹⁾ of \$803.3 million is related to two senior notes, construction and other loans, and leases.

(1) Adjusted earnings, Cash Costs, AISC, Working Capital and Total Debt are non-GAAP measures; please refer to the “Alternative Performance (Non-GAAP) Measures” section of this MD&A for a detailed reconciliation of these measures to the 2024 Annual Financial Statements.

2024 OPERATING RESULTS VERSUS 2024 OPERATING OUTLOOK

The following table sets out the actual 2024 annual metal production, Cash Costs, AISC and capital expenditures compared to the Company's 2024 Operating Outlook as per the 2023 annual MD&A dated February 21, 2024 (the "2024 Operating Outlook").

	2024 Operating Outlook	2024 Actual
Silver Production — Moz	21.0 - 23.0	21.1
Gold Production — koz ⁽¹⁾	868 - 988	892
Zinc Production — kt	42 - 46	45
Lead Production — kt	19 - 22	21
Copper Production — kt	4	5
Silver Segment Cash Costs (\$ per ounce) ⁽²⁾	11.70 - 14.10	14.30
Silver Segment AISC (excl. NRV) (\$ per ounce) ⁽²⁾	16.00 - 18.50	18.98
Gold Segment Cash Costs (\$ per ounce) ⁽²⁾	1,165 - 1,260	1,203
Gold Segment AISC (excl. NRV) (\$ per ounce) ⁽²⁾	1,475 - 1,575	1,501
Sustaining Capital (\$ millions)	295.0 - 310.0	279.0
Project Capital (\$ millions)	80.0 - 85.0	93.4

- (1) The 2024 Operating Outlook for gold production has been adjusted to exclude gold production for the La Arena gold mine for December 2024. Pan American completed the sale of its interest in La Arena, which owned the La Arena gold mine and the La Arena II copper-gold project, in the fourth quarter of 2024 ("Q4 2024"); see the Strategic Dispositions section of this MD&A for further details.
- (2) Cash Costs and AISC are non-GAAP measures. Please refer to the "Alternative Performance (Non-GAAP) Measures" section of this MD&A for further information on these measures.

Silver and Gold Production

Consolidated 2024 silver production of 21.1 million ounces was towards the low end of the 2024 Operating Outlook of 21.0 to 23.0 million ounces, largely as a result of La Colorada's ventilation constraints restricting production in the first half of the year ("H1 2024"), and lower production at Cerro Moro from higher than planned dilution in the underground mines and weather-related disruptions delaying development of the Naty satellite deposit.

Consolidated 2024 gold production of 892 thousand ounces was towards the low end of the 2024 Operating Outlook of 868 to 988 thousand ounces, mainly from lower than anticipated gold production at Cerro Moro due to the same factors that impacted silver production.

Cash Costs and AISC

Silver Segment Cash Costs of \$14.30 per ounce were higher than the forecast range of \$11.70 to \$14.10 per ounce, primarily due to the lower grades at Cerro Moro and higher costs per ounce than forecasted at La Colorada due to the restricted production rates in H1 2024. Silver Segment AISC excluding NRV inventory adjustments of \$18.98 per silver ounce were higher than the forecast range of \$16.00 to \$18.50, largely driven by the same factors affecting the Silver Segment Cash Costs. Gold Segment Cash Costs and AISC excluding NRV inventory adjustments of \$1,203 per ounce and \$1,501 per ounce, respectively, were within the forecast ranges of \$1,165 to \$1,260 and \$1,475 to \$1,575 per ounce, respectively.

Capital Expenditures

Sustaining capital expenditures were \$16.0 million below the low-end of the range provided in the 2024 Operating Outlook, reflecting lower investments at Shahuindo relating to the postponement and design optimization of waste dump expansions. Project capital in 2024 was higher than the 2024 Operating Outlook range, primarily due to higher costs for the construction of the filter-stack tailings storage facility at Huaron and for accelerating in-fill drilling at the La Colorada Skarn project.

2024 OPERATING PERFORMANCE

Consolidated⁽¹⁾⁽²⁾

	Three Months Ended December 31,			Year ended December 31,		
	2024	2023	Variance	2024	2023	Variance
Production						
Silver – koz	6,018	4,835	1,182	21,061	20,437	624
Gold – koz	224.2	267.8	(43.6)	892.5	882.9	9.6
Zinc – kt	14.1	9.4	4.7	45.1	38.8	6.4
Lead – kt	6.1	4.2	1.9	20.8	18.7	2.1
Copper – kt	1.0	1.4	(0.4)	5.2	5.0	0.2
Cash Costs - \$ per ounce sold ⁽³⁾						
Silver Segment	14.06	19.31	(5.25)	14.30	13.07	1.23
Gold Segment	1,223	1,096	127	1,203	1,113	90
AISC - \$ per ounce sold ⁽³⁾						
Silver Segment	19.80	26.55	(6.75)	18.70	18.17	0.53
Silver Segment (excl. NRV)	19.88	26.28	(6.39)	18.98	17.91	1.07
Gold Segment	1,463	1,411	53	1,530	1,371	159
Gold Segment (excl. NRV)	1,521	1,415	106	1,501	1,416	85

- (1) Please refer to the “Operating Metrics” and “Alternative Performance (Non-GAAP) Measures” sections of this MD&A for mine by mine operating and cost metrics.
- (2) Consolidated results are inclusive of operating results for the La Arena gold mine from January 1, 2024 to November 30, 2024; see the Strategic Dispositions section of this MD&A for further details.
- (3) Cash Costs and AISC are non-GAAP measures. Please refer to the “Alternative Performance (Non-GAAP) Measures” section of this MD&A for a detailed reconciliation of these measures to production costs.

Silver Production

Consolidated silver production for 2024 was 21.06 million ounces compared with 20.44 million ounces in 2023. The increase was driven by higher production at El Peñon and Minera Florida, due to a full twelve months of production from both mines, and higher silver production at La Colorada from the benefits of the new ventilation infrastructure. These increases were partially offset by: (i) the production decline at Dolores, where lower grade ores and stockpiles were processed following the planned cessation of mining activities in July 2024; and (ii) at Cerro Moro, where lower silver grades resulted from planned mine sequencing into lower grade ore zones and the impact of the development delays and dilution on production despite the benefit of a full twelve-month contribution to production relative to 2023.

Gold Production

Consolidated gold production for 2024 was 892.5 thousand ounces compared to 882.9 thousand ounces in 2023. The increase was largely driven by the contribution of the full twelve months of production in 2024 from the Acquired Mines, partially offset by lower production, primarily from: (i) Dolores, due to the aforementioned cessation of mining activities; (ii) La Arena, largely reflecting one month less production following the completion of the sale on December 2, 2024; (iii) Timmins, primarily reflecting lower grades driven by delayed stope sequencing; and (iv) Cerro Moro, from higher mining dilution and weather-related disruptions.

Base Metal Production

Zinc, lead and copper (“base metal”) production in 2024 was 45.1 thousand tonnes, 20.8 thousand tonnes, and 5.2 thousand tonnes, respectively. Zinc and lead production increased 16% and 11%, respectively, relative to 2023 due to a full-year contribution of Minera Florida and higher throughput and grades at La Colorada, partially offset by lower production at Huaron from mine sequencing. Copper production was consistent with 2023.

Cash Costs

Silver Segment Cash Costs per ounce in 2024 of \$14.30 were \$1.23 higher than the \$13.07 in 2023. The increase was primarily driven by: (i) mining of lower grade ores at Cerro Moro; and (ii) the beneficial contribution to costs in 2023 from low-cost residual sales at Manantial Espejo, as the mine was entering care and maintenance. These factors increasing Cash Costs were partially offset by: (i) the ventilation improvements at La Colorada in the second half of 2024 ("H2 2024") leading to higher production and by-product credits from higher base metal grades due to access to higher grade zones; and (ii) lower treatment and refining charges at Huaron, reflective of favorable commercial concentrate terms on zinc and lead.

Gold Segment Cash Costs per ounce in 2024 of \$1,203 were \$90 per ounce higher relative to 2023. The increase in Cash Costs was primarily driven by: (i) lower gold grades at Dolores attributable to processing of lower grade stockpiles following the planned cessation of mining activities in July 2024; (ii) an increase in expensed costs at Jacobina, reflecting 2023 benefiting from the sale of acquired Yamana inventories that were carried at lower allocated costs ("the Acquired Inventory"); and (iii) an increase in operating costs at Timmins due to mining lower grade ore and higher development costs. These factors increasing Cash Costs were partly offset by higher silver by-product credits at El Peñon, reflective of favorable silver grades.

AISC

Silver Segment AISC excluding NRV inventory adjustments for 2024 of \$18.98 per ounce were \$1.07 per ounce higher than in 2023, predominately due to the previously described factors increasing Cash Costs, partially offset by reduced sustaining capital investments at Cerro Moro and Huaron. At Cerro Moro, the decrease mostly pertained to reduced near-mine exploration and mine and site infrastructure investments. At Huaron, reduced sustaining capital expenditures related to mine deepening and ventilation projects that were largely completed in 2023, along with the timing of payments on capital investments.

Gold Segment AISC excluding NRV inventory adjustments for 2024 of \$1,501 per ounce were \$85 per ounce higher than in 2023, largely reflecting the previously described factors increasing Cash Costs year-over-year.

Silver Segment Operations

La Colorada

At the La Colorada mine, 2024 silver production of 4.88 million ounces was 11% higher than 2023, primarily reflecting the significant improvements in mine ventilation conditions following the completion of the ventilation infrastructure in July 2024. Improved ventilation conditions have allowed mine rehabilitation and development rates to accelerate, thus increasing the number of production areas and leading to higher throughput. Zinc and lead production were 54% and 67% higher, respectively, due to mine sequencing as well as the improvement of ventilation conditions allowing access to certain higher grade zones.

2024 Cash Costs of \$20.16 per ounce were \$2.66 per ounce lower than in 2023, mainly from improved ventilation conditions in H2 2024 leading to improved mine productivity and access to high grade zones with improved by-product zinc and lead production. 2024 AISC excluding NRV inventory adjustments of \$25.81 per ounce were \$1.48 per ounce lower than in 2023, primarily driven by the same factors that affected Cash Costs, partially offset by higher sustaining capital investments. Higher sustaining capital investments in 2024 were related to the timing of payments on capital investments.

During 2024, the Company invested \$30.8 million on project capital, to complete the Guadalupe ventilation infrastructure, and for engineering work and additional exploration drilling to advance the La Colorada Skarn project.

Cerro Moro

At the Cerro Moro mine, 2024 silver production of 2.97 million ounces and gold production of 77.5 thousand ounces were 16% and 8% lower, respectively, relative to 2023. The reduction in silver and gold production is due to planned mine sequencing into lower silver grade zones, delayed underground development, higher than

planned dilution in the underground mines, and delayed mining and processing of ores from the satellite Naty zone due to severe weather conditions in the second quarter of 2024.

2024 Cash Costs of \$9.57 per ounce were \$6.89 per ounce higher relative to 2023, primarily due to the cost impact of mining lower grade ores and an increase in expensed costs related to the Acquired Inventory. This was partially offset by higher by-product credits from higher gold prices and a higher mix of gold to silver ore, as well as lower export taxes. 2024 AISC of \$14.13 per ounce were \$4.13 per ounce higher than 2023, largely due to the same factors affecting Cash Costs, partly offset by lower sustaining capital from near-mine exploration, capitalized underground development and site infrastructure.

Huaron

In 2024, silver production of 3.52 million ounces was comparable to silver production in 2023, as throughput, grades and recoveries were largely consistent year-over-year. Zinc and copper production also remained consistent, while lead production decreased 11% as a result of planned mine sequencing. 2024 Cash Costs of \$8.84 per ounce were \$1.11 per ounce lower relative to 2023, primarily reflecting lower treatment and refining charges attributable to favorable commercial concentrate terms, partly offset by higher operating costs pertaining to increased mine development. AISC in 2024 decreased by \$2.19 per ounce, primarily as a result of the same factors that affected Cash Costs, as well as a decrease in sustaining capital expenditures. The year-over-year reduction in sustaining capital investments was related to mine deepening and ventilation projects that were largely completed in 2023, along with the timing of payments of capital investments.

In 2024, the Company invested \$39.4 million on project capital related to the construction of the new filter plant and filter-stack tailings storage facility. The construction of the filter-stack tailings storage facility was substantially completed in Q4 2024 and is expected to be fully operational within the first half of 2025 ("H1 2025"), with some residual capital accounts payable settlements expected in 2025.

San Vicente

In 2024, silver production of 3.11 million ounces was 4% higher relative to silver production in 2023, mainly due to higher silver grades from mine sequencing. Zinc production remained consistent year-over-year, while lead and copper production decreased 11% and 4%, respectively, due to mine sequencing into higher silver grade ore zones. Cash Costs of \$16.40 per ounce in 2024 were \$0.75 per ounce higher than in 2023, primarily reflecting lower zinc by-product credits as a result of timing of zinc concentrate sales. In 2024, AISC of \$18.38 per ounce were \$1.29 per ounce higher than 2023 from the same factors that affected Cash Costs, as well as larger investments in sustaining capital relative to the prior year. The increase in sustaining capital investments were largely related to mine equipment replacements.

Gold Segment Operations

Jacobina

At the Jacobina mine, gold production of 196.7 thousand ounces in 2024 was 33% higher relative to gold production in 2023, reflecting the contribution of the full year of production from the operation. In 2024, Cash Costs of \$969 per ounce were \$183 per ounce higher than in 2023, largely driven by 2023 costs benefiting from the Acquired Inventory carried at relatively lower costs. In 2024, AISC of \$1,230 per ounce were \$122 per ounce higher than in 2023, driven by the same factors affecting Cash Costs, partially offset by lower sustaining capital per ounce.

During 2024, \$49.9 million of sustaining capital was invested for near mine exploration, mine equipment replacements, lease payments for ore and waste haulage and tailings storage facility expansions. Additionally, the Company invested \$14.4 million in project capital for upgrading the plant facility infrastructure and mine optimization study.

El Peñon

At the El Peñon mine, gold production of 126.8 thousand ounces and silver production of 3.87 million ounces in 2024 were 32% and 33% higher, respectively, reflecting the contribution of the full year of production from the operation. Cash Costs in 2024 of \$929 per ounce were \$71 per ounce lower than 2023, primarily driven by higher silver by-product credits, partially offset by the impact of the Acquired Inventory carried at relatively lower costs in 2023. 2024 AISC of \$1,244 per ounce were \$37 per ounce higher than 2023, due to higher sustaining capital from near-mine exploration and mine equipment leases.

Timmins

At the Timmins mines, gold production of 123.7 thousand ounces in 2024 was 7% lower than in 2023, reflecting lower gold grades due to delayed stope sequencing, in addition to excess dilution in certain stopes. 2024 Cash Costs of \$1,670 per ounce were \$167 per ounce higher than in 2023, reflecting the cost impact of mining lower gold grade ores, as well as higher development costs at the Bell Creek mine. 2024 AISC of \$2,023 per ounce were \$223 per ounce higher than in 2023 due to the same factors affecting Cash Costs, as well as increased investments for mine equipment replacements and refurbishments, and near-mine exploration.

In 2024, the Company invested \$8.8 million on project capital related to the development and construction of the Bell Creek paste backfill plant. The construction of the plant was completed in the third quarter of 2024 ("Q3 2024") and commissioned in Q4 2024. The plant is now fully operational and is expected to provide enhanced ground stability and increased mineral resource recovery.

Shahuindo

At the Shahuindo mine, 2024 gold production of 135.1 thousand ounces was 4% lower than in 2023, largely related to a lower ratio of ounces recovered to ounces stacked from lower heap leach irrigation rates driven by the high proportion of fine ore stacked in 2024. Cash Costs in 2024 of \$976 per ounce were consistent with 2023, while 2024 AISC of \$1,371 per ounce were \$61 per ounce lower than in 2023. The decrease in 2024 AISC pertains largely to lower investments relating to waste dump preparation and water treatment plant infrastructure projects, which have been postponed to 2025 to allow for a design optimization.

Minera Florida

At the Minera Florida mine, 2024 gold production of 80.3 thousand ounces and silver production of 0.65 million ounces were 11% and 129% higher than in 2023, respectively, reflecting the contribution of the full year of production from the operation. The increase in silver production was also due to higher silver grades mined from positive mine grade reconciliations and mine sequencing. 2024 Cash Costs of \$1,542 per ounce were \$70 per ounce higher than in 2023, primarily due to higher mining costs from processing low gold grade ores, partially offset by higher by-product credits from higher silver and zinc grades. 2024 AISC excluding NRV inventory adjustments of \$1,839 per ounce were consistent with 2023, due to the increase in Cash Costs being largely offset by the reduction in sustaining capital per ounce.

Dolores

At the Dolores mine, 2024 silver production of 1.74 million ounces and gold production of 72.3 thousand ounces were 21% and 32% lower than in 2023, respectively. The reduction was due to the planned cessation of mining activities in July 2024, which was partially offset by the processing of lower grade stockpiles as a result of higher metal prices, and a higher ratio of ounces recovered to ounces stacked. Cash Costs of \$1,388 per ounce in 2024 were \$367 per ounce higher than in 2023 due to the processing of lower grade ores. 2024 AISC excluding NRV inventory adjustments of \$1,518 per ounce were \$344 per ounce higher than in 2023, primarily as a result of the same factors that affected Cash Costs, partially offset by lower sustaining capital given the wind-down of mining activities.

FINANCIAL PERFORMANCE

Income Statement

Net Earnings of \$107.8 million and \$112.7 million were recorded in Q4 2024 and the full year 2024 ("2024"), respectively, compared to net losses of \$67.8 million and \$104.9 million, respectively, in the same periods of 2023. This corresponds to a basic earnings per share of \$0.30 and \$0.31, respectively, for Q4 2024 and 2024 compared to basic losses per share of \$0.19 and \$0.32, respectively, for the fourth quarter of 2023 ("Q4 2023") and the full year 2023 ("2023").

The following table highlights the differences between the net earnings in Q4 2024 and 2024 with the comparable periods in 2023.

	Three months	Year ended	Note
Net loss, period ended December 31, 2023	\$ (67.8)	\$ (104.9)	
Revenue:			
Increased metal prices	\$ 208.7	\$ 497.4	
Lower quantities of metal sold	(68.8)	(38.3)	
Decreased direct selling costs	5.7	34.3	
(Increased) decreased negative settlement adjustments	(0.1)	9.4	
Total increase in revenue	145.5	502.8	(1)
Cost of sales:			
Decreased (increased) production costs excluding NRV inventory adjustments	\$ 13.0	\$ (102.2)	
Decreased (increased) NRV inventory adjustments	12.1	(52.4)	
Increased royalty charges	(5.0)	(9.0)	
Decreased (increased) production costs and royalty charges	\$ 20.1	\$ (163.6)	(2)
Decreased (increased) depreciation and amortization excluding NRV adjustments	5.1	(36.8)	
Increased NRV depreciation and amortization adjustments	(50.7)	(50.7)	
Increased depreciation and amortization	(45.6)	(87.5)	(3)
Increased cost of sales	(25.5)	(251.1)	
Increased mine operating earnings	120.0	251.7	
Increased gain from sale of subsidiaries	137.4	130.7	(4)
Decreased impairment charge	36.2	78.6	(5)
Increased foreign exchange gain	26.8	29.3	(6)
Decreased (increased) general and administrative expense	12.2	(8.4)	(7)
Decreased exploration and project development expense	2.9	4.5	
Decreased (increased) losses on sale of mineral properties, plant and equipment	2.9	(2.6)	
Decreased interest and finance expense	1.8	6.7	
Decreased mine care and maintenance costs	1.0	48.7	(8)
Decreased transaction and integration costs	0.3	25.3	(9)
Increased income tax expense	(98.4)	(272.9)	(10)
Change in mine reclamation obligations	(40.1)	(38.0)	(11)
Increased losses on derivatives	(26.1)	(33.4)	(12)
Increased investment loss	(9.2)	(8.8)	
Decreased other expense	7.9	6.2	
Net earnings, period ended December 31, 2024	\$ 107.8	\$ 112.7	

- 1) Revenue** for Q4 2024 was \$145.5 million higher than in Q4 2023. The major variances were: (i) a \$208.7 million increase from higher metal prices, largely silver and gold; partly offset by a (ii) \$68.8 million decrease in quantity of metal sold, primarily reflecting lower gold production at Cerro Moro, Timmins, Dolores and La Arena (due in part to the sale of La Arena being completed on December 2, 2024).

Revenue for 2024 was \$502.8 million higher than 2023. The major variances were \$497.4 million primarily from higher silver and gold prices; and a \$34.3 million decrease in direct selling costs, primarily at Cerro Moro

related to suspended export taxes, and favorable commercial terms at our concentrate operations. The increase in revenue was partially offset by \$38.3 million in lower quantities of metal sold, due to the same drivers for lower quarter-over-quarter sales quantities, partially offset by a full twelve months of sales from the Acquired Mines.

Quantities and realized prices of metal sold for both Q4 2024 and 2024, and the comparable periods in 2023 were:

	Realized Metal Prices ⁽¹⁾				Quantities of Metal Sold ⁽²⁾			
	Three months ended December 31,		Year ended December 31,		Three months ended December 31,		Year ended December 31,	
	2024	2023	2024	2023	2024	2023	2024	2023
Silver	\$ 30.87	\$ 22.33	\$ 28.06	\$ 22.94	5,599	4,959	19,473	20,951
Gold	\$ 2,666	\$ 1,980	\$ 2,388	\$ 1,951	226.7	270.4	891.9	893.9
Zinc	\$ 3,060	\$ 2,493	\$ 2,828	\$ 2,656	9.5	9.7	35.1	36.8
Lead	\$ 1,967	\$ 2,121	\$ 2,058	\$ 2,146	5.6	4.0	18.2	17.9
Copper	\$ 9,019	\$ 8,146	\$ 9,260	\$ 8,475	1.1	1.0	4.5	4.1

(1) Metal price stated as dollars per ounce for silver and gold, and dollars per tonne for zinc, lead and copper, inclusive of final settlement adjustments on concentrate sales.

(2) Metal quantities stated as koz for silver and gold and kt for zinc, lead and copper.

- 2) **Production and royalty costs** in Q4 2024 were \$20.1 million lower than in Q4 2023. The decrease was a combination of a \$13.0 million decrease in production costs (excluding NRVs) and the result of a \$12.1 million quarter-over-quarter decrease in cost-reducing NRV inventory adjustments, mainly related to Dolores. The decrease in production costs excluding NRVs was due to the December 2, 2024 disposition of La Arena, resulting in one-month less of related production costs, and Q4 2023 being more impacted by the draw-down of finished goods inventories. These factors were partly offset by an increase in royalty expense of \$5.0 million.

Production and royalty costs in 2024 were \$163.6 million higher than in 2023, reflecting: a \$102.2 million increase in production costs (excluding NRVs), a \$52.4 million increase in NRV inventory adjustments (NRV inventory adjustments decreased 2023 costs by \$31.8 million and increased 2024 costs by \$20.6 million), and a \$9.0 million increase in royalty expense. The increase in production costs (excluding NRVs) of \$102.2 million was primarily due to a full year of operations from the Acquired Mines. The NRV inventory adjustments were primarily driven by Dolores, which reflected updates to the expected costs of running the operation in the post-mining and stacking leach-down period, leading to a reduction in the expected economic leaching through to the end of 2026 (the "Dolores NRV").

- 3) **Depreciation and amortization expense** for Q4 2024 was \$45.6 million higher than in Q4 2023, mainly due to a \$50.7 million allocation of the Dolores NRV inventory adjustments to depreciation and amortization ("D&A") expense. Inventoried costs are comprised of both direct mine production costs and D&A expense related to an operation's assets. The proportionately significant amount of the Dolores Q4 2024 NRV adjustment relative to the residual production and D&A costs, which comprised Dolores' post-mining and final-stacking-phase heap-leach inventory, drove the adjusted D&A expense NRV allocation to better reflect the split of production costs and D&A expense within Dolores' cost of sales. Further increasing the D&A expense was the increase in depletion rates across all mines as a result of the change in the proven and probable reserves based on the Company's annual mineral reserves and mineral resources update as at June 30, 2024, and mineral properties, plant and equipment additions. These factors were partly offset by the decrease in quantity of metal sold, which resulted in lower D&A expense being otherwise recognized.

Depreciation and amortization expense for 2024 was \$87.5 million higher than in 2023, primarily due to the aforementioned \$50.7 million allocation of the Dolores NRV inventory adjustments to D&A expense, and a full-year of D&A expense contributed from the Acquired Mines.

- 4) **Gain from sale of Subsidiaries** for Q4 2024 was \$137.4 million higher than in Q4 2023, due to the Company's disposition of its 100% interest in La Arena.

Gain from sale of Subsidiaries for 2024 was \$130.7 million higher than in 2023, due to the sale of La Arena, partly offset by the \$6.7 million gain recognized on the disposition of Morococha in 2023.

- 5) **Impairment charge** of \$36.2 million was recorded on the Shahuindo crushing and agglomeration plant in Q4 2023 as the Company determined that the non-operating crushing and agglomeration plant would not be used during the planned Shahuindo life of operations. No impairment charge was recorded in Q4 2024.

Impairment charge of \$78.6 million was recorded in 2023 for Morococha upon entering into a binding agreement for disposition in Q2 2023 (\$42.4 million) along with the Q4 2023 Shahuindo impairment (\$36.2 million). No impairment charge was recorded in 2024.

- 6) **Foreign exchange gain** for Q4 2024 was \$26.8 million higher than in Q4 2023, primarily due to foreign exchange trade execution rates in Bolivia, as well as foreign exchange gains, predominantly unrealized, on the depreciation of the Chilean Peso and Brazilian Real and the resulting devaluation of monetary liabilities denominated in these currencies, compared to losses recognized in the prior year.

Foreign exchange gain for 2024 was \$29.3 million higher than in 2023, primarily from the improved trade execution rates in Bolivia in 2024, and foreign exchange gains recorded on the depreciation of the Brazilian Real and Chilean Peso, which resulted in the devaluation of monetary liabilities denominated in these two currencies.

- 7) **General and administration expense** for Q4 2024 was \$12.2 million lower than in Q4 2023, primarily reflective of lower share-based compensation expense due to an adjustment on the Company's estimated liability for the 2024 share-based awards grant (as there was a change in the long-term incentive plan to better align compensation with long-term performance), a reduction in various corporate accruals, and lower corporate costs at the Toronto office.

General and administration expense for 2024 was \$8.4 million higher than in 2023 due to having a full-year contribution from the Acquired Mines and higher share-based compensation expenses due to the increase in the Company's share price.

- 8) **Mine care and maintenance expenses** for Q4 2024 were \$1.0 million lower than in Q4 2023 due to lower costs incurred for Manantial Espejo and Escobal.

Mine care and maintenance expenses for 2024 were \$48.7 million lower than in 2023, primarily due to the dispositions of MARA and Morococha in 2023, which accounted for \$20.4 million and \$17.9 million of the decrease, respectively. The remainder of the decrease is due to lower expenses at Manantial Espejo.

- 9) **Transaction and integration costs** for Q4 2024 and 2024 were \$nil compared to \$0.3 million in Q4 2023 and \$25.3 million in 2023, as the Yamana Acquisition was completed on March 31, 2023.

- 10) **Income tax expense** for Q4 2024 was \$98.4 million higher than in Q4 2023, reflecting increases in mine operating earnings as well as the impact of foreign exchange rates ("FX") on foreign denominated deductible tax attributes (the most significant being the mineral property, plant, and equipment). FX impacts in Q4 2024 were from the devaluation of the Mexican Peso, Brazilian Real, and Peruvian Sol, this compared to the appreciation of those three currencies in Q4 2023.

Income tax expense for 2024 was \$272.9 million higher than 2023. This was the result of the same factors driving the quarter-over-quarter increase in income tax expense, as well as two discrete items: (i) the conclusive agreement (the "Settlement") made with the Mexican tax authorities (the "SAT") to resolve specific disputed items related to the income tax filings for the years 2016 through 2022, identified upon completion of certain SAT audits (\$40.5 million, net of tax on the interest component); and (ii) the amendment of

Argentine income tax filings from 2018 to 2023 to adjust the tax treatment of certain intercompany debts (\$6.3 million).

- 11) Change in mine reclamation obligations** for Q4 2024 was \$53.9 million, compared with \$13.8 million in Q4 2023, primarily due to an increase in estimated closure costs at Dolores, reflecting the update of the cover design and costs for the waste rock dumps and heap leach pad, as well as an advancement in the estimated timing of the expenditures given the cessation of mining activities and a reduction in the estimated duration of production from leaching. The change in mine reclamation obligations for Dolores was expensed in Q4 2024, as the mine had reached the end of its useful life.

Change in mine reclamation obligations for 2024 was \$53.7 million, compared with \$15.7 million in 2023, primarily due to the same reasons outlined above.

- 12) Derivative losses** for Q4 2024 were \$19.0 million, compared with derivative gains of \$7.1 million for Q4 2023. The losses in the current quarter are largely attributed to losses on the Brazilian, Chilean and Canadian currency hedge books, compared to gains across all currency hedges in Q4 2023.

Derivative losses for 2024 were \$25.1 million, compared with derivative gains of \$8.3 million in 2023. The losses in the current year are attributed to losses on the Brazilian, Canadian, Mexican and Chilean currency hedge books, compared to gains in the Canadian, Peruvian, Mexican, and Brazilian currency hedges, partially offset by losses on Chilean currency hedges for the prior year.

Statement of Cash Flows

Cash flow from operations in Q4 2024 was \$274.1 million, \$106.7 million higher than the \$167.4 million generated in Q4 2023. This was largely the result of: increased revenue of \$145.5 million; decreased production costs (excluding NRVs) of \$13.0 million; increased realized foreign exchange gains of \$15.2 million; and, decreased general and administrative expenses of \$12.2 million. These increases to operating cash flow were partially offset by a negative quarter-over-quarter variance in changes from non-cash working capital items of \$47.7 million, and increased income taxes paid of \$32.6 million (primarily due to the Settlement payment to the SAT of \$45.9 million).

Changes in working capital, other than cash, drove a \$5.8 million use of cash in Q4 2024 compared with a \$41.9 million source of cash in Q4 2023. The \$47.7 million quarter-over-quarter change from source of cash in Q4 2023 to use of cash in Q4 2024 resulted largely from increased trade and other receivables and prepaid build-ups of \$46.3 million and \$19.3 million, respectively. These factors were partly offset by increased accounts payable build-ups of \$26.8 million.

Cash flow from operations in 2024 was \$724.1 million, \$273.9 million more than the \$450.2 million generated in 2023. This resulted from an increase in revenue of \$502.8 million, partially offset by the previously explained increased production costs (excluding NRVs) of \$102.2 million. Other factors increasing operating cash flow were: decreased mine care and maintenance expenses of \$48.7 million, largely due to the MARA and Morococha dispositions in 2023; non-recurring transaction and integration costs incurred for the Yamana Acquisition in 2023 of \$25.3 million; and decreased interest paid of \$7.8 million. These increases were partially offset by a negative year-over-year variance in changes from non-cash working capital items of \$181.0 million; along with increases in general and administrative expenses of \$8.4 million, income taxes paid of \$14.4 million, and royalties paid of \$9.0 million.

Changes in working capital, other than cash, drove a \$127.8 million use of cash in 2024 compared with a \$53.2 million source of cash in 2023. The \$181.0 million period-over-period change was largely from a \$106.3 million, \$107.0 million, and \$28.1 million build-up of inventories, trade and other receivables, and prepaid expenses, respectively, in the 2024 period contrasted with draw-downs recorded in 2023. This was offset by \$48.3 million cash inflow provided by an increase in accounts payable and accrued liabilities in 2024 compared to a decrease in 2023, and \$12.1 million from lower pay-downs of provisions compared to 2023.

Investing activities in Q4 2024 generated \$201.8 million, primarily related to the net cash proceeds of \$290.4 million from the La Arena disposition (\$306.6 million cash consideration less \$16.2 million closing cash disposed), as described in the "Strategic Dispositions" section of this MD&A. This was offset by payments for mineral properties, plant and equipment ("MPP&E") of \$85.4 million. In Q4 2023, investing activities used \$70.6 million, primarily related to the \$118.7 million spent on MPP&E at the Company's mines and projects, partly offset by cash proceeds from the disposition of the interest in Agua de la Falda for \$45.5 million.

Investing activities in 2024 used \$32.6 million, primarily related to \$323.3 million spent on MPP&E at the Company's mines and projects, as previously described in the "Operating Performance" section of this MD&A. This was mostly offset by net cash proceeds of \$290.4 million from the La Arena disposition. In 2023, investing activities generated \$397.9 million, primarily related to the proceeds from the disposition of subsidiaries of \$549.1 million, an increase of \$259.5 million of cash acquired from the Yamana Acquisition, and an increase of \$144.8 million from the sale of various short-term equity investments, including the Company's long-term investment in Maverix Metals Inc. ("Maverix"). This was offset by \$194.1 million of cash disposed in the sale of subsidiaries and spending of \$379.0 million on MPP&E at the Company's mines and projects.

Financing activities in Q4 2024 utilized \$49.7 million compared to \$45.5 million in the comparative period. In Q4 2024, the Company paid dividends of \$36.3 million and made lease repayments of \$12.2 million. In Q4 2023, the Company paid dividends of \$36.4 million and made lease repayments of \$19.1 million, partly offset by proceeds from debt of \$10.4 million.

Financing activities in 2024 utilized \$225.2 million in cash compared to \$551.8 million in 2023. In 2024, the Company paid \$145.4 million in dividends, made lease repayments of \$50.3 million, and spent \$24.3 million for the repurchase and cancellation of Company shares under the normal course issuer bid ("NCIB"). In 2023, the Company made net debt repayments of \$388.5 million, paid dividends of \$130.4 million, and made lease repayments of \$44.0 million.

Liquidity and Financial Position

Liquidity

The Company's cash and short-term investments increased by \$417.4 million during Q4 2024, largely reflecting operating cash flow of \$274.1 million and the net cash proceeds from the La Arena disposition of \$290.4 million, as described in the "Strategic Dispositions" section of this MD&A, partially offset by \$85.4 million relating to payments for MPP&E, dividends paid of \$36.3 million, and \$12.2 million in payments for equipment leases.

Pan American's investment objectives for its excess cash balances are to preserve capital, to provide liquidity and to maximize returns. The Company's strategy to achieve these objectives is to invest excess cash balances in a portfolio of primarily fixed income instruments with specified credit rating targets established by the Board of Directors. From time to time, the Company may assess opportunities to use excess liquidity to provide returns to its shareholders and reduce existing debt levels, including, among other things, through dividends, purchases under its NCIB, the repayment of any amounts that may be drawn on its SL-Credit facility, and the repayment of the senior notes prior to maturity, as the Company deems appropriate.

Working capital of \$1,033.4 million at December 31, 2024 was \$267.6 million higher than working capital of \$765.8 million at December 31, 2023, largely as a result of the increase in cash and short-term investments and build-ups of trade and other receivables, partially offset by decreased inventory from write-downs and the La Arena disposition, and increased income tax payables. The net cash generated from the sales of metal production provides our primary source of cash flows, and we do not currently expect to experience payment delinquencies from our metal sales counterparties.

The Company's financial position at December 31, 2024, and the operating cash flows that are expected over the next 12 months, lead Management to believe that the Company's liquid assets and available credit from the revolving SL-Credit Facility are sufficient to satisfy our 2025 working capital requirements, fund currently planned capital expenditures, and to discharge liabilities as they come due. The Company remains well positioned to take

advantage of strategic opportunities as they become available. Liquidity risks are discussed further in the “Risks and Uncertainties” section of this MD&A.

Credit Facility and Senior Notes

The SL-Credit Facility has a limit of \$750.0 million plus an accordion feature for up to an additional \$250.0 million, which is available at the discretion of the lenders. As of December 31, 2024, the Company was in compliance with all financial covenants under the SL-Credit Facility, which was undrawn. The borrowing costs under the SL-Credit Facility are based on the Company's credit ratings from Moody's and S&P Global's at either: (i) Secured Overnight Financing Rate plus 1.25% to 2.40%; or (ii) The Bank of Nova Scotia's Base Rate on U.S. dollar denominated commercial loans plus 0.15% to 1.30%. Under the ratings based pricing, undrawn amounts under the SL-Credit Facility are subject to a stand-by fee of 0.23% to 0.46% per annum, dependent on the Company's credit rating and subject to pricing adjustments based on sustainability performance ratings and scores. The SL-Credit Facility matures on November 24, 2028.

The Company has senior notes of \$283.0 million in aggregate principal with a 4.625% coupon and maturing in December 2027; and senior notes of \$500.0 million in aggregate principal with a 2.63% coupon and maturing in August 2031 (collectively "Senior Notes"). The Senior Notes are unsecured with interest payable semi-annually. Each series of Senior Notes is redeemable, in whole or in part, at the Company's option, at any time prior to maturity, subject to make-whole provisions. The Senior Notes are accreted to the face value over their respective terms and were recorded at fair value upon acquisition using an effective interest rate of 5.52%.

Commitments

In the normal course of business, the Company enters into contracts that give rise to commitments, which are described in Note 10(f)(ii) of the 2024 Annual Financial Statements, and in the "Liquidity and Capital Position" section of this MD&A. The following table summarizes the remaining contractual maturities of the Company's financial liabilities and operating and capital commitments on an undiscounted basis:

Payments due by period December 31, 2024					
	Within 1 year	2 - 3 years	4 - 5 years	After 5 years	Total
Accounts payable and accrued liabilities other than:	\$ 471.4	\$ —	\$ —	\$ —	\$ 471.4
Severance liabilities	7.6	12.5	7.9	32.4	60.4
Payroll liabilities	10.4	—	—	—	10.4
Total accounts payable and accrued liabilities	489.4	12.5	7.9	32.4	542.2
Income tax payables	102.1	—	—	—	102.1
Other liabilities	12.8	—	—	—	12.8
Debt					
Repayment of principal	6.8	282.5	—	419.5	708.8
Interest and standby fees	28.9	56.8	28.5	21.4	135.6
Provisions ⁽¹⁾⁽²⁾	5.4	9.0	2.4	7.3	24.1
Future payroll liabilities	1.7	27.0	—	2.7	31.4
Total contractual obligations ⁽²⁾	\$ 647.1	\$ 387.8	\$ 38.8	\$ 483.3	\$ 1,557.0

(1) Total litigation provision (Note 18 of the 2024 Annual Financial Statements).

(2) Amounts above do not include payments related to closure and decommissioning (current \$27.7 million, long-term \$410.6 million) discussed in Note 18 of the 2024 Annual Financial Statements, or the lease obligations discussed in Note 19 of the 2024 Annual Financial Statements.

Outstanding Share Amounts

As at December 31, 2024, the Company had approximately 0.4 million stock options outstanding (each exercisable for one common share of the Company), with exercise prices in the range of CAD \$17.53 to CAD \$39.48 and a weighted average life of 4.6 years. Approximately 0.2 million of the stock options were vested and exercisable at December 31, 2024, with an average weighted exercise price of CAD \$23.64 per share.

On March 4, 2024, the Company obtained approval of its NCIB from the TSX and the NYSE to purchase for cancellation up to 18,232,990 common shares between March 6, 2024 and March 5, 2025. Daily purchases (other than pursuant to a block purchase exemption) on the TSX and NYSE under the NCIB are limited to a maximum of 151,485 common shares and 25% of the average trading volume for the Company's common shares in the four calendar weeks preceding the date of purchase, respectively.

For the year ended December 31, 2024, 1,720,366 common shares were repurchased for cancellation under the NCIB at an average price of \$14.16 per share for a total consideration of \$24.3 million.

There were no share repurchases during the year ended December 31, 2023 nor shares held in treasury as at December 31, 2024 or December 31, 2023.

Subsequent to the year ended December 31, 2024, 909,012 common shares were repurchased for cancellation under the NCIB at an average price of \$22.00 per share for a total consideration of \$20.0 million.

The following table sets out the common shares and options outstanding as at the date of this MD&A:

	Outstanding as at February 19, 2025
Common shares	362,138
Options	387
Total	362,525

As part of the acquisition of Tahoe Resources Inc. ("Tahoe") on February 22, 2019, the Company issued 313.9 million Contingent Value Rights ("CVRs"), with a term of 10 years, which are convertible into 15.6 million common shares of the Company upon the first commercial shipment of concentrate following the restart of operations at the Escobal mine. As of December 31, 2024, there were 313.9 million CVRs outstanding, which were convertible into 15.6 million common shares of the Company.

Closure and Decommissioning Provision

The estimated future closure and decommissioning costs are based principally on the requirements of relevant authorities and the Company's environmental policies. The provision is measured using Management's assumptions and estimates for future cash outflows. The Company accrues these costs, which are determined by discounting costs using rates specific to the underlying obligation. Upon recognition of a liability for the closure and decommissioning costs, the Company capitalizes these costs to the related mine and amortizes such amounts over the life of each mine on a unit-of-production basis except in the case of exploration projects and closed sites for which the offset to the liability is expensed. The accretion of the discount due to the passage of time is recognized as an increase in the liability and finance expense.

The total inflated and undiscounted amount of estimated cash flows required to settle the Company's estimated future closure and decommissioning costs as of December 31, 2024 was \$683.1 million (December 31, 2023 - \$910.0 million) using an inflation rate of 2.5% (December 31, 2023 - between 1% and 5%). The inflated and discounted provision on the statement of financial position as at December 31, 2024 was \$438.4 million (December 31, 2023 - \$447.2 million), using discount rates between 3% and 10% (December 31, 2023 - between 3% and 11%). Spending with respect to decommissioning obligations commenced in 2016 at Alamo Dorado and Manantial Espejo, and in 2024 at Dolores. The remainder of the obligations are expected to be substantially paid through 2075, or later if the mine lives are extended. Revisions made to the reclamation obligations in 2024 were primarily a result of the La Arena disposition and updates to Dolores. An update to the Dolores closure estimate was completed following cessation of mining activities, and as preparation for closure began, further studies in waste dump closure resulted in an increase in estimated cost for regrade and cover material. Further, an adjustment to post-stacking length of the leaching period, which is now anticipated to extend only until the end of 2026, also resulted in an increase to the liability due to the impact of a reduction in the discounting of future cash flows. At all operations, updates reflected increased site disturbances from ongoing operations, periodic reviews

of closure plans and related costs, actual expenditures incurred, and completed closure activities. These obligations will be funded from operating cash flows, reclamation deposits, and cash on hand.

The accretion of the discount charged in Q4 2024 and 2024 as finance expense was \$7.5 million and \$31.3 million, respectively (Q4 2023 and 2023 - \$8.2 million and \$34.2 million, respectively). Reclamation expenditures incurred during Q4 2024 and 2024 were \$6.1 million and \$25.1 million, respectively (Q4 2023 and 2023 - \$9.0 million and \$27.6 million, respectively).

2025 OPERATING OUTLOOK

The following provides Pan American's operating outlook for 2025. Pan American reports mines under either a Silver Segment or a Gold Segment with AISC calculated on a by-product basis; specifically, by-product metal sales are credited against the operating costs to produce the primary metal for that segment.

The following estimates contain forward-looking information about expected future events and financial and operating performance of Pan American. Readers should refer to the risks and assumptions set out in the "Cautionary Note Regarding Forward-Looking Statements and Information" that accompany the MD&A for the period ended December 31, 2024. Pan American may revise forecasts during the year to reflect actual results to date and those anticipated for the remainder of the year.

2025 Silver and Gold Production and AISC Forecasts:

	Silver Production (million ounces)	Gold Production (thousand ounces)	AISC (\$ per ounce) ⁽¹⁾
Silver Segment:			
La Colorada (Mexico)	5.50 - 5.80	2	20.00 - 22.00
Cerro Moro (Argentina)	2.80 - 2.90	77 - 87	6.00 - 10.00
Huaron (Peru)	3.70 - 3.90	—	16.00 - 17.50
San Vicente (Bolivia) (95.0%) ⁽²⁾	2.70 - 2.90	—	19.00 - 20.50
Total	14.70 - 15.50	79 - 89	16.25 - 18.25
Gold Segment:			
Jacobina (Brazil)	—	185 - 195	1,275 - 1,375
El Peñon (Chile)	3.70 - 3.80	120 - 130	1,185 - 1,285
Timmins (Canada)	—	120 - 130	2,100 - 2,200
Shahuindo (Peru)	0.25	125 - 135	1,735 - 1,835
Minera Florida (Chile)	0.45	78 - 90	1,700 - 1,850
Dolores (Mexico)	0.90 - 1.00	28 - 31	850 - 1,000
Total	5.30 - 5.50	656 - 711	1,525 - 1,625
Total Production	20.00 - 21.00	735 - 800	n/a

(1) AISC is a non-GAAP measures. Please refer to the "Alternative Performance (Non-GAAP) Measures" section of this MD&A for further information on this measure. The AISC forecasts assume average metal prices of \$30.00/oz for silver, \$2,650/oz for gold, \$3,000/tonne (\$1.36/lb) for zinc, \$2,000/tonne (\$0.91/lb) for lead, and \$9,500/tonne (\$4.31/lb) for copper; and average annual exchange rates relative to 1 USD of 20.00 for the Mexican peso ("MXN"), 3.75 for the Peruvian sol ("PEN"), 1,177 for the Argentine peso ("ARS"), 7.00 for the Bolivian boliviano ("BOB"), \$1.38 for the Canadian dollar ("CAD"), \$950.00 for the Chilean peso ("CLP") and \$5.75 for the Brazilian real ("BRL").

(2) San Vicente data represents Pan American's 95.0% interest in the mine's production.

2025 Consolidated Base Metal Production Forecasts:

	Zinc (kt)	Lead (kt)	Copper (kt)
Consolidated Production	42 - 45	21 - 22	4

In 2025, silver production is expected to be between 20.00 to 21.00 million ounces, which is marginally lower than 2024 silver production of 21.06 million ounces. Relative to 2024, forecasted increases in silver production at La Colorada and Huaron are expected to largely offset forecasted decreases at Dolores and San Vicente. At La Colorada, the improvement in ventilation conditions is expected to enable higher development rates in 2025 relative to 2024, allowing throughput of up to 2,000 tonnes per day in 2025. At Huaron, the development of the Horizonte zone is expected to drive higher throughput and higher silver grades. The forecasted decrease at Dolores is due to the operation entering the residual leaching phase while the forecasted decrease at San Vicente reflects mine sequencing into lower silver grade ores.

In 2025, gold production is expected to be between 735 to 800 thousand ounces, which is a decrease of between 92 to 157 thousand ounces relative to 2024 gold production of 892 thousand ounces. The decrease in production is largely due to the disposition of La Arena and Dolores entering the residual leaching phase.

Silver Segment AISC is anticipated to be between \$16.25 and \$18.25 per ounce in 2025, which is \$0.73 and \$2.73 per ounce lower relative to the 2024 AISC excluding NRV inventory adjustments of \$18.98 per ounce. The new ventilation infrastructure at La Colorada and higher gold by-product credits from mine sequencing to higher gold grade ores at Cerro Moro are expected to reduce AISC per ounce, which will be partially offset by higher expected costs at Huaron associated with operating the new filter plant and filter-stack tailings storage facility.

Gold Segment AISC is forecasted to be between \$1,525 and \$1,625 per ounce in 2025, which is \$24 and \$124 per ounce higher relative to the 2024 AISC excluding NRV inventory adjustments of \$1,501 per ounce. The anticipated increase largely reflects: (i) higher operating costs per ounce at Shahuindo, driven by lower grade ore stacked due to mine sequencing and a higher proportion of low grade coarse ores to blend with the higher grade fine ores, as well as higher sustaining capital for waste dump preparation and water treatment projects postponed from 2024; and (ii) higher operating costs at Timmins related to the additional costs associated with operating the new paste plant at Bell Creek and labour-driven inflationary pressures.

2025 Quarterly Operating Outlook:

Below is Management's breakdown for our 2025 Operating Outlook by quarter ("2025 Quarterly Expectations").

	2025 Quarterly Expectations				
	Q1	Q2	Q3	Q4	FY 2024
Silver Production (million ounces)	4.75 - 5.00	4.95 - 5.20	5.10 - 5.35	5.20 - 5.45	20.00 - 21.00
Gold Production (thousand ounces)	175 - 189	179 - 194	189 - 205	192 - 212	735 - 800
Silver Segment AISC ⁽¹⁾	21.00 - 22.25	19.50 - 21.25	14.25 - 16.25	10.25 - 13.00	16.25 - 18.25
Gold Segment AISC ⁽¹⁾	1,575 - 1,675	1,550 - 1,650	1,500 - 1,600	1,500 - 1,600	1,525 - 1,625

- (1) AISC is a non-GAAP measures. Please refer to the "Alternative Performance (Non-GAAP) Measures" section of this MD&A for further information on this measure. The AISC forecasts assume average metal prices of \$30.00/oz for silver, \$2,650/oz for gold, \$3,000/tonne (\$1.36/lb) for zinc, \$2,000/tonne (\$0.91/lb) for lead, and \$9,500/tonne (\$4.31/lb) for copper; and average annual exchange rates relative to 1 USD of 20.00 for the Mexican peso ("MXN"), 3.75 for the Peruvian sol ("PEN"), 1,177 for the Argentine peso ("ARS"), 7.00 for the Bolivian boliviano ("BOB"), \$1.38 for the Canadian dollar ("CAD"), \$950.00 for the Chilean peso ("CLP") and \$5.75 for the Brazilian real ("BRL").

Silver production is anticipated to be higher towards the second half of the year, largely as a result of increased production from San Vicente, Cerro Moro and La Colorada. Production at San Vicente is expected to be lower in the first half of the year due to essential plant maintenance scheduled, while production at Cerro Moro and La Colorada is expected to increase in the second half of the year due to mine sequencing into higher grade ore zones.

Gold production is expected to increase in the second half of the year due to: (i) mine sequencing into higher grade gold ores at Cerro Moro and Minera Florida, (ii) higher throughput at Minera Florida due to increased development requirements in the first half of the year, which impact ore tonnes mined, and (iii) leach sequencing at Shahuindo resulting in a higher ratio of ounces recovered to ounces placed. The factors increasing production in

the second half of the year are expected to be partially offset by lower gold production at Dolores following the cessation of stacking on the heap in the first quarter of 2025 and the mine entering the residual leaching phase.

AISC per ounce is anticipated to decrease throughout the year, largely as a result of the production impacts.

2025 Expenditures Forecast:

The following tables detail the forecast capital, reclamation, care and maintenance, general and administrative, exploration and depreciation and amortization expenditures and taxes to be paid in 2025:

Capital Forecast (\$ millions)	Capitalized Exploration	Lease Payments	Other Capital Expenditures	2025 Forecast
Sustaining Capital				
La Colorada	2.0	3.5	13.5 - 15.5	19.0 - 21.0
Cerro Moro	4.5	—	5.5 - 6.5	10.0 - 11.0
Huaron	4.0	4.5	9.5 - 10.5	18.0 - 19.0
San Vicente ⁽¹⁾	1.5	—	3.0	4.5
Jacobina	16.5	11.0	30.5 - 32.5	58.0 - 60.0
El Peñon	18.0	12.5	2.5 - 4.5	33.0 - 35.0
Timmins	8.0	—	31.0 - 33.0	39.0 - 41.0
Shahuindo	1.5	15.0	50.5 - 54.5	67.0 - 71.0
Minera Florida	6.0	8.0	7.0 - 8.0	21.0 - 22.0
Dolores	—	0.4	0.1	0.5
Sustaining Capital Sub-total	62.0	54.9	153.1 - 168.1	270.0 - 285.0
Project Capital				
La Colorada (Veins)				10.0 - 12.0
La Colorada (Skarn)				39.0 - 42.0
Huaron				12.0 - 13.5
Timmins				18.0 - 20.0
Jacobina				11.0 - 12.5
Project Capital Total				90.0 - 100.0
Total Capital Expenditures				360.0 - 385.0

(1) Capital expenditures at San Vicente are shown at a 100% ownership.

Other Expenditures Forecast (\$ millions)	2025 Forecast
Reclamation Expenditures	
Dolores	11.0 - 12.0
Jacobina	4.5 - 5.5
Alamo Dorado	6.0 - 8.0
Other	6.5 - 9.0
Total Reclamation Expenditures	28.0 - 34.5
Care & Maintenance	
Escobal	15.0 - 17.5
Other	5.5 - 6.5
Total Care & Maintenance	20.5 - 24.0
General and Administrative	80.0 - 85.0
Exploration and Project Development	15.0 - 20.0
Income Tax Payments	240.0 - 260.0
Depreciation and Amortization	450.0 - 500.0

2025 Mine Operating Forecast

Management's expectation for each mine's 2025 operating performance, including production, AISC, and project capital are provided below:

La Colorada

Silver production is forecast to be between 5.50 to 5.80 million ounces in 2025, which is 0.62 to 0.92 million ounces higher relative to the 4.88 million ounces produced in 2024. The expected increase is driven by higher throughput rates as the result of improved ventilation conditions.

AISC in 2025 are forecast to be between \$20.00 and \$22.00 per ounce, which is between \$3.81 to \$5.81 per ounce lower than the \$25.81 per ounce recorded in 2024. The decrease is driven by: (i) improved ventilation conditions leading to higher production rates decreasing mining costs per ounce; (ii) favorable commercial terms; and, (iii) lower sustaining capital expenditures per ounce from higher production and an allocation of certain expenditures to project capital to allow for an expansion to the eastern zone of the mine.

Sustaining capital in 2025 of \$19.0 to \$21.0 million is primarily related to a tailings storage facility expansion, ventilation infrastructure upgrades, near mine exploration expenditures and mine equipment replacements and refurbishments.

Project capital at La Colorada is expected to be between \$49.0 to \$54.0 million, of which \$39.0 to \$42.0 million is designated to the La Colorada Skarn project for continued exploration and in-fill drilling, and advancing engineering work, particularly in mine design, de-watering, geotechnical, and access studies. The remaining \$10.0 to \$12.0 million is directed at the La Colorada vein mine for exploration, mine infrastructure and mine equipment leases to access, mine, and expand mineral resource extensions in the deep eastern and southeastern extensions of the higher-grade Candelaria mineralized structure.

Cerro Moro

Silver production is expected to be between 2.80 to 2.90 million ounces in 2025, which is a 0.07 to 0.17 million ounce decrease relative to the 2.97 million ounces produced in 2024. Gold production is expected to be between 77.0 to 87.0 thousand ounces in 2025, which is between a 0.5 thousand ounce decrease and a 9.5 thousand ounce increase relative to 2024 gold production of 77.5 thousand ounces. These 2025 production expectations largely reflect mine sequencing to lower silver and higher gold grade ores.

AISC in 2025 are anticipated to be between \$6.00 to \$10.00 per ounce, which is between \$4.13 and \$8.13 per ounce lower than the \$14.13 reported in 2024, reflecting higher gold by-product credits and lower sustaining capital investments, partially offset by expected cost escalations.

Sustaining capital in 2025 of \$10.0 and \$11.0 million is primarily related to near mine exploration, raise bore developments and plant upgrade projects.

Huaron

Silver production is expected to be between 3.70 to 3.90 million ounces in 2025, which is a 0.18 to 0.38 million ounce increase relative to the 3.52 million ounces produced in 2024. The expected increase is driven by higher throughput and higher silver grades from the development of the Horizonte zone.

AISC in 2025 are anticipated to be between \$16.00 to \$17.50 per ounce, which is between \$1.36 and \$2.86 per ounce higher than the \$14.64 per ounce recorded in 2024. This increase is primarily related to the additional \$8 to \$10 cost per tonne for operating the tailings filtration plant and filter-stack tailings storage facility planned to be in full operation in 2025, partially offset by favorable concentrate commercial terms.

Sustaining capital in 2025 of \$18.0 to \$19.0 million is primarily directed at mine equipment replacements and refurbishments, near-mine exploration, and a filter-stack tailings storage facility raise.

Commissioning of the new filter plant and filter-stack tailings storage facility was largely completed in Q4 2024. The company is expecting residual project capital in 2025 of between \$12.0 to \$13.5 million for final accounts payable settlements, as well as lease payments for the tailings filtration plant equipment.

San Vicente

Silver production is forecast to be between 2.70 and 2.90 million silver ounces, which is a 0.21 to 0.41 million ounce decrease relative to the 3.11 million ounces produced in 2024, reflecting mine sequencing into lower silver grade ores and lower throughput as a result of essential plant maintenance planned for 2025.

AISC in 2025 are anticipated to be between \$19.00 to \$20.50 per ounce, which is between \$0.62 and \$2.12 higher than the \$18.38 reported in 2024. This is largely the result of lower silver grades and additional plant maintenance expenditures, which more than offset the benefit from favorable concentrate commercial terms and lower royalties.

Sustaining capital in 2025 of \$4.5 million is expected to be largely directed at mine equipment replacements and near-mine exploration.

Jacobina

Gold production is anticipated to be between 185.0 to 195.0 thousand ounces, which is a 1.7 to 11.7 thousand ounce decrease relative to the 196.7 thousand ounces produced in 2024, reflective of updated proven and probable reserve estimates leading to lower grades with higher throughput.

AISC in 2025 are anticipated to be between \$1,275 to \$1,375 per ounce, a \$45 to \$145 increase relative to the \$1,230 per ounce recorded in 2024. The expected increase is largely attributable to lower grades, in addition to higher sustaining capital investments in 2025, particularly for raise bore developments and plant upgrades.

Sustaining capital in 2025 of \$58.0 to \$60.0 million is primarily related to mine equipment replacements and refurbishments, near mine exploration expenditures, lease payments associated with ore haulage, raise bore developments and other mine and plant infrastructure.

The Company is forecasting to invest \$11.0 to \$12.5 million in project capital to continue advancing a mine and plant optimization study that will evaluate alternative mining methods and production rates in the context of maximizing the mine's long-term economics and sustainability.

El Peñon

Gold production in 2025 is forecast to be between 120.0 and 130.0 thousand ounces, which is in line with the 126.8 thousand ounces produced in 2024. Silver production in 2025 is forecast to be between 3.70 to 3.80 million ounces, which is a 0.07 to 0.17 million ounce decrease relative to the 3.87 million ounces produced in 2024. The decrease in silver production is related to additional low grade stockpile material being processed in 2025 relative to 2024.

AISC in 2025 are forecast to be between \$1,185 and \$1,285 per ounce, which is consistent with the \$1,244 per ounce recorded in 2024.

Sustaining capital in 2025 of \$33.0 to \$35.0 million is primarily related to near-mine exploration and in-fill drilling expenditures, raise bore developments and lease payments related to mine equipment.

Timmins

Gold production in 2025 is expected to be between 120.0 to 130.0 thousand ounces, which is consistent with the 123.7 thousand ounces produced in 2024.

AISC in 2025 are forecast to be between \$2,100 and \$2,200 per ounce, which is an increase of \$77 to \$177 per ounce higher than the \$2,023 per ounce recorded in 2024, largely driven by the expected increase in operating costs associated with the operation of the new paste backfill plant at Bell Creek, as well as expected cost increases, particularly from regional labour shortages. These factors increasing AISC are partially offset by lower sustaining capital per ounce.

Sustaining capital in 2025 of \$39.0 to \$41.0 million is primarily related to tailings storage facility expansions, near-mine exploration expenditures, site infrastructure upgrades, and mine equipment replacements and refurbishments.

Project capital is expected to be between \$18.0 to \$20.0 million, comprised of an estimated \$12.5 and \$14.5 million for the construction of a new "stage 6" tailings storage facility and \$5.5 million for exploration activities at satellite deposits.

Shahuindo

Gold production in 2025 is anticipated to be between 125.0 and 135.0 thousand ounces, which is between 0.1 to 10.1 thousand ounces lower than the 135.1 thousand ounces produced in 2024. The expected decrease is driven from lower grade ore stacked, reflective of the mineral reserve update as at June 30, 2024, which added additional low grade coarse ore to the mineral reserve needed to blend with the higher grade fine ores.

AISC in 2025 are forecast to be between \$1,735 and \$1,835 per ounce, which is between \$364 to \$464 per ounce higher than the \$1,371 recorded in 2024. This is largely due to lower gold grades and the expected timing of heap inventory movements due to the weighted average cost of inventory accounting, as well as spending on sustaining capital projects planned in 2024 for waste dump preparation and water treatment being carried over to 2025 and further optimized to the life-of-mine requirements.

Sustaining capital in 2025 of \$67.0 to \$71.0 million is primarily related to waste dump preparation, heap leach pad expansions and construction of a water treatment plant.

Minera Florida

Gold production in 2025 is forecast to be between 78.0 and 90.0 thousand ounces, which is in line with 2024 gold production of 80.3 thousand ounces. Silver production is forecast to be 0.45 million ounces, which is 0.20 million ounces lower relative to 2024 silver production of 0.65 million ounces, largely due to mine sequencing into lower silver grade ores.

AISC for 2025 are forecast to be between \$1,700 to \$1,850 per ounce, which are consistent with the \$1,839 per ounce recorded in 2024.

Sustaining capital in 2025 of \$21.0 to \$22.0 million is primarily related to near-mine exploration and in-fill drilling expenditures, a tailings storage facility expansion and lease payments related to mine equipment.

Dolores

Gold production in 2025 is forecast to be between 28.0 and 31.0 thousand ounces, which is 41.3 to 44.3 thousand ounces lower than the 72.3 thousand ounces produced in 2024. The decrease is largely driven by the cessation of stacking on the heap in the first quarter of 2025 and the mine entering the residual leaching phase.

Silver production in 2025 is forecast to be between 0.90 and 1.00 million ounces, which is 0.74 to 0.84 million ounces lower than the 1.74 million ounces produced in 2024, primarily driven by the same factors affecting gold production.

AISC per ounce in 2025 is expected to be between \$850 and \$1,000, which is between \$518 and \$668 per ounce lower than the \$1,518 per ounce recorded in 2024. The decrease is driven by a significant reduction in ongoing costs needed to operate the leach pad during residual leaching activities, which more than offset the reduction in production rates.

2025 Reclamation Expenditures Forecast

Estimated reclamation expenditures of \$28.0 to \$34.5 million in 2025 include spending on: (i) progressive closure in 2025 at Dolores, as stacking activities conclude and the mine enters the residual leaching phase in early 2025; (ii) waste dump reclamation at Alamo Dorado to continue the cover placement and re-vegetation; (iii) progressive reclamation at Jacobina related to the inactive B1 tailings facility as well as the João Belo waste dump; and (iv) reclamation activities at other properties, including Manantial Espejo.

2025 Care and Maintenance Forecast

Estimated care and maintenance costs of \$20.5 to \$24.0 million primarily reflect expenditures at Escobal and Manantial Espejo. Pan American has not projected timing for a potential restart of the Escobal mine and has assumed a full year of care and maintenance costs at Escobal. The forecasted care and maintenance cost range is expected to be lower than the \$32.3 million reported in 2024, primarily because of reduced care and maintenance activities at Escobal due to certain optimizations of the care and maintenance activities.

2025 General and Administrative Expense Forecast

Estimated corporate general and administrative expenses of \$80.0 to \$85.0 million.

2025 Exploration and Project Development Expense Forecast

Estimated regional exploration, property holding costs, and project development expenses of \$15.0 to \$20.0 million in 2025 are primarily directed at drilling in Brazil, Mexico, Canada and Chile. The expenditures relating to near-mine exploration targeting reserve replacement are included in the sustaining and project capital estimates provided in the 2025 Expenditures Forecast table above.

2025 Income Tax Payments Forecast

Cash income tax payments in 2025 are forecast to be between \$240.0 to \$260.0 million, and are expected to be front-end loaded with approximately one-third to be paid in the first quarter of 2025.

2025 Depreciation and Amortization Expense Forecast

Estimated depreciation and amortization expenses of \$450.0 to \$500.0 million in 2025 are expected to be lower than 2024 due to the disposition of La Arena and reduced production at Dolores.

SELECTED ANNUAL AND QUARTERLY FINANCIAL INFORMATION

2024 (In millions of USD, other than per share amounts)	Quarter Ended				Year Ended
	Mar 31	Jun 30	Sep 30	Dec 31	Dec 31
Revenue	\$ 601.4	\$ 686.3	\$ 716.1	\$ 815.1	\$ 2,818.9
Mine operating earnings	\$ 71.0	\$ 116.9	\$ 175.7	\$ 184.9	\$ 548.5
Earnings (loss) for the period attributable to equity holders	\$ (30.9)	\$ (21.9)	\$ 56.7	\$ 107.6	\$ 111.5
Basic earnings (loss) per share	\$ (0.08)	\$ (0.06)	\$ 0.16	\$ 0.30	\$ 0.31
Diluted earnings (loss) per share	\$ (0.08)	\$ (0.06)	\$ 0.16	\$ 0.30	\$ 0.31
Cash flow from operating activities	\$ 61.1	\$ 162.7	\$ 226.2	\$ 274.1	\$ 724.1
Cash dividends paid per share	\$ 0.10	\$ 0.10	\$ 0.10	\$ 0.10	\$ 0.40
Other financial information					
Total assets					\$ 7,202.7
Total long-term financial liabilities ⁽¹⁾					\$ 1,277.4
Total attributable shareholders' equity					\$ 4,703.5

(1) Total long-term financial liabilities are comprised of non-current liabilities excluding deferred tax liabilities.

2023 (In millions of USD, other than per share amounts)	Quarter Ended				Year Ended
	Mar 31	Jun 30	Sep 30	Dec 31	Dec 31
Revenue	\$ 390.3	\$ 639.9	\$ 616.3	\$ 669.6	\$ 2,316.1
Mine operating earnings	\$ 77.2	\$ 88.0	\$ 66.7	\$ 64.9	\$ 296.8
Earnings (loss) for the period attributable to equity holders	\$ 16.4	\$ (32.4)	\$ (19.7)	\$ (68.0)	\$ (103.7)
Basic earnings (loss) per share	\$ 0.08	\$ (0.09)	\$ (0.05)	\$ (0.19)	\$ (0.25)
Diluted earnings (loss) per share	\$ 0.08	\$ (0.09)	\$ (0.05)	\$ (0.19)	\$ (0.25)
Cash flow from operating activities	\$ 51.3	\$ 117.0	\$ 114.6	\$ 167.4	\$ 450.3
Cash dividends paid per share	\$ 0.10	\$ 0.10	\$ 0.10	\$ 0.10	\$ 0.40
Other financial information					
Total assets					\$ 7,213.1
Total long-term financial liabilities ⁽¹⁾					\$ 1,274.8
Total attributable shareholders' equity					\$ 4,760.7

(1) Total long-term financial liabilities are comprised of non-current liabilities excluding deferred tax liabilities.

2022 (In millions of USD, other than per share amounts)	Quarter Ended				Year Ended
	Mar 31	Jun 30	Sep 30	Dec 31	Dec 31
Revenue	\$ 439.9	\$ 340.5	\$ 338.9	\$ 375.5	\$ 1,494.8
Mine operating earnings	\$ 66.8	\$ (31.7)	\$ (21.8)	\$ 35.0	\$ 48.3
(Loss) earnings for the period attributable to equity holders	\$ 76.5	\$ (174.0)	\$ (71.5)	\$ (172.8)	\$ (341.8)
Basic (loss) earnings per share	\$ 0.36	\$ (0.83)	\$ (0.34)	\$ (0.81)	\$ (1.62)
Diluted (loss) earnings per share	\$ 0.36	\$ (0.83)	\$ (0.34)	\$ (0.81)	\$ (1.62)
Cash flow from operating activities ⁽²⁾	\$ 68.8	\$ 20.8	\$ 54.4	\$ (112.1)	\$ 31.9
Cash dividends paid per share	\$ 0.12	\$ 0.12	\$ 0.11	\$ 0.10	\$ 0.45
Other financial information					
Total assets					\$ 3,248.5
Total long-term financial liabilities ⁽¹⁾					\$ 511.8
Total attributable shareholders' equity					\$ 2,195.5

(1) Total long-term financial liabilities are comprised of non-current liabilities excluding deferred tax liabilities.

(2) Cash flow from operating activities in the three months ended December 31, 2022 includes \$157.3 million of transaction and integration costs related to the Yamana Acquisition.

OPERATING METRICS

Three Months Ended December 31, 2024												
	La Colorada	Cerro Moro	Huaron	San Vicente ⁽¹⁾	Jacobina	El Peñon	Timmins	Shahuindo	La Arena ⁽²⁾	Minera Florida	Dolores	Total
Ore tonnes mined – kt	176	121	244	97	840	268	372	3,367	2,053	235	—	7,771
Waste tonnes mined – kt	—	727	—	—	—	—	—	5,029	1,917	—	—	7,672
Tonnes processed – kt	176	106	242	98	827	366	355	3,414	1,960	267	1,845	9,658
Grade												
Silver – g/t	301.1	262.1	142.0	255.7	—	118.2	—	7.2	0.6	35.5	14.5	
Gold – g/t	—	6.96	—	—	2.04	2.96	2.53	0.40	0.32	2.58	0.21	
Zinc – %	2.63	—	2.87	3.45	—	—	—	—	—	0.84	—	
Lead – %	1.45	—	1.72	0.29	—	—	—	—	—	0.32	—	
Copper – %	—	—	0.46	0.18	—	—	—	—	—	—	—	
Production												
Silver – koz	1,606	829	919	735	1	1,174	7	73	9	240	424	6,018
Gold – koz	0.7	22.5	—	—	52.4	32.4	27.9	34.7	14.9	20.8	17.9	224.2
Zinc – kt	4.0	—	5.6	3.0	—	—	—	—	—	1.6	—	14.1
Lead – kt	2.2	—	3.1	0.2	—	—	—	—	—	0.5	—	6.1
Copper – kt	0.1	—	0.8	0.1	—	—	—	—	—	—	—	1.0

Three Months Ended December 31, 2023												
	La Colorada	Cerro Moro	Huaron	San Vicente ⁽¹⁾	Jacobina	El Peñon	Timmins	Shahuindo	La Arena	Minera Florida	Dolores	Total
Ore tonnes mined – kt	92	104	234	91	769	256	426	3,242	3,506	234	1,108	10,063
Waste tonnes mined – kt	—	784	—	—	—	—	—	4,492	3,339	—	4,260	12,875
Tonnes processed – kt	94	107	236	94	765	343	433	3,148	3,506	260	1,984	10,973
Grade												
Silver – g/t	291.7	274.5	143.3	263.5	—	88.7	—	6.6	0.6	14.3	13.2	
Gold – g/t	—	9.19	—	—	2.20	3.24	2.73	0.52	0.34	3.16	0.50	
Zinc – %	1.51	—	2.49	2.83	—	—	—	—	—	0.67	—	
Lead – %	0.83	—	1.64	0.32	—	—	—	—	—	0.10	—	
Copper – %	—	—	0.66	0.20	—	—	—	—	—	—	—	
Production												
Silver – koz	806	886	905	738	—	853	4	69	17	80	477	4,835
Gold – koz	0.4	30.3	0.2	—	51.1	33.9	35.1	34.9	31.7	24.7	25.4	267.8
Zinc – kt	1.1	—	4.7	2.3	—	—	—	—	—	1.3	—	9.4
Lead – kt	0.6	—	3.0	0.3	—	—	—	—	—	0.3	—	4.2
Copper – kt	—	—	1.2	0.1	—	—	—	—	—	—	—	1.4

Year ended December 31, 2024

	La Colorada	Cerro Moro	Huaron	San Vicente ⁽¹⁾	Jacobina	El Peñon	Timmins	Shahuindo	La Arena ⁽²⁾	Minera Florida	Dolores	Total
Ore tonnes mined – kt	590	400	942	377	3,135	884	1,541	13,745	9,840	906	2,726	35,085
Waste tonnes mined – kt	—	2,570	—	—	—	—	—	18,196	15,894	—	6,378	43,038
Tonnes processed – kt	590	412	934	379	3,147	1,363	1,595	13,025	9,581	998	7,251	39,274
Grade												
Silver – g/t	277.5	240.0	142.0	281.4	—	103.2	—	6.8	0.6	25.9	15.4	
Gold – g/t	—	6.18	—	—	2.02	3.07	2.49	0.47	0.34	2.67	0.34	
Zinc – %	2.34	—	2.48	2.92	—	—	—	—	—	0.82	—	
Lead – %	1.39	—	1.63	0.31	—	—	—	—	—	0.29	—	
Copper – %	—	—	0.60	0.20	—	—	—	—	—	—	—	
Production												
Silver – koz	4,878	2,969	3,519	3,109	4	3,870	15	278	38	646	1,735	21,061
Gold – koz	2.6	77.5	0.1	—	196.7	126.8	123.7	135.1	77.4	80.3	72.3	892.5
Zinc – kt	11.4	—	18.1	9.6	—	—	—	—	—	6.1	—	45.1
Lead – kt	7.0	—	11.2	0.9	—	—	—	—	—	1.6	—	20.8
Copper – kt	0.2	—	4.5	0.6	—	—	—	—	—	—	—	5.2

Year ended December 31, 2023

	La Colorada	Cerro Moro ⁽³⁾	Huaron	San Vicente ⁽¹⁾	Manantial Espejo	Jacobina ⁽³⁾	El Peñon ⁽³⁾	Timmins	Shahuindo	La Arena	Minera Florida ⁽³⁾	Dolores	Total
Ore tonnes mined – kt	529	311	941	366	—	2,275	764	1,541	12,624	12,587	692	7,781	40,411
Waste tonnes mined – kt	—	1,961	—	—	—	—	—	—	18,074	17,265	—	13,628	50,927
Tonnes processed – kt	537	315	944	372	10	2,307	1,029	1,574	12,519	12,586	760	7,617	40,571
Grade													
Silver – g/t	276.5	376.6	142.9	271.4	205.0	—	98.7	—	7.0	0.8	17.2	17.6	
Gold – g/t	—	8.82	—	—	2.13	2.08	3.05	2.70	0.48	0.31	3.15	0.57	
Zinc – %	1.64	—	2.49	3.11	—	—	—	—	—	—	0.67	—	
Lead – %	0.92	—	1.66	0.33	—	—	—	—	—	—	0.12	—	
Copper – %	—	—	0.61	0.21	—	—	—	—	—	—	—	—	
Production													
Silver – koz	4,392	3,547	3,608	2,978	191	—	2,906	16	276	47	283	2,194	20,437
Gold – koz	2.3	84.6	1.1	0.1	1.7	147.8	95.7	132.9	140.1	97.1	72.4	107.1	882.9
Zinc – kt	7.4	—	18.5	9.7	—	—	—	—	—	—	3.2	—	38.8
Lead – kt	4.2	—	12.6	1.0	—	—	—	—	—	—	0.9	—	18.7
Copper – kt	0.1	—	4.4	0.6	—	—	—	—	—	—	—	—	5.0

(1) San Vicente data represents Pan American's 95.0% interest in the mine's production.

(2) La Arena data represents operating results from January 1, 2024 to November 30, 2024; see the Strategic Dispositions section of this MD&A for further details.

(3) Acquired Mines data represent operating results from March 31, 2023 to December 31, 2023.

ALTERNATIVE PERFORMANCE (NON-GAAP) MEASURES

Per Ounce Measures

Cash Costs and AISC are non-GAAP financial measures that do not have any standardized meaning prescribed by IFRS Accounting Standards and are therefore unlikely to be comparable to similar measures presented by other companies.

Pan American produces by-product metals incidentally to our silver and gold mining activities. We have adopted the practice of calculating a performance measure with the net cost of producing an ounce of silver and gold, our primary payable metals, after deducting revenues gained from incidental by-product production. This performance measurement has been commonly used in the mining industry for many years and was developed as a relatively simple way of comparing the net production costs of the primary metal for a specific period against the prevailing market price of that metal.

Silver Segment Cash Costs and AISC are calculated net of credits for realized revenues from all metals other than silver ("silver segment by-product credits"), and are calculated per ounce of silver sold. Gold Segment Cash Costs and AISC are calculated net of credits for realized revenues from all metals other than gold ("gold segment by-product credits"), and are calculated per ounce of gold sold.

Cash Costs per ounce metrics, net of by-product credits, is used extensively in our internal decision-making processes. We believe the metric is also useful to investors because it facilitates comparison, on a mine-by-mine basis, notwithstanding the unique mix of incidental by-product production at each mine, of our operations' relative performance on a period-by-period basis, and against the operations of our peers in the silver industry. Cash costs per ounce is conceptually understood and widely reported in the mining industry.

We believe that AISC, also calculated net of by-products, is a comprehensive measure of the full cost of operating our consolidated business, given it includes the cost of replacing silver and gold ounces through exploration, the cost of ongoing capital investments at current operations ("sustaining capital"), as well as other items that affect the Company's consolidated cash flow. AISC excludes capital investments that are expected to increase production levels or mine life beyond those contemplated in the base case life of mine plan ("project capital").

To facilitate a better understanding of these non-GAAP financial measures as calculated by the Company, the following table provides the detailed reconciliation of these measure to the applicable cost items, as reported in the 2024 Annual Financial Statements for the respective periods.

Consolidated Silver and Gold Segment Cash Costs and AISC:

	Silver Segment		Gold Segment	
	Three Months Ended December 31, 2024	Three Months Ended December 31, 2023	Three Months Ended December 31, 2024	Three Months Ended December 31, 2023
Production costs	\$ 117.8	\$ 134.7	\$ 298.4	\$ 306.5
Restructuring and end-of-mine life severance accruals and payments ⁽¹⁾	—	(1.8)	(0.3)	(0.6)
Purchase price allocation inventory fair value adjustment ⁽²⁾	—	(0.9)	—	(8.8)
NRV inventory adjustments	0.3	(0.9)	12.0	1.1
On-site direct operating costs	118.1	131.1	310.1	298.2
Royalties	18.0	13.7	7.3	6.6
Smelting, refining and direct selling charges ⁽³⁾	9.1	13.8	0.7	1.6
Cash cost of sales before by-product credits	145.2	158.6	318.1	306.4
Silver segment by-product credits ⁽³⁾	(91.7)	(95.0)	—	—
Gold segment by-product credits ⁽³⁾	—	—	(63.0)	(42.9)
Cash Costs	\$ 53.5	\$ 63.6	\$ 255.1	\$ 263.5
NRV inventory adjustments	(0.3)	0.9	(12.0)	(1.1)
Sustaining capital	21.3	22.2	56.7	70.5
Exploration and project development ⁽⁴⁾	—	—	—	—
Reclamation cost accretion ⁽⁵⁾	0.9	0.8	5.4	6.3
All-in sustaining costs	\$ 75.3	\$ 87.5	\$ 305.1	\$ 339.1
Silver segment silver ounces sold (Moz)	3.8	3.3	—	—
Gold segment gold ounces sold (koz)	—	—	208.5	240.4
Cash Costs per ounce sold	\$ 14.06	\$ 19.31	\$ 1,223	\$ 1,096
AISC per ounce sold	\$ 19.80	\$ 26.55	\$ 1,463	\$ 1,411
AISC per ounce sold (excluding NRV inventory adjustments)	\$ 19.88	\$ 26.28	\$ 1,521	\$ 1,415

	Silver Segment		Gold Segment ⁽⁶⁾	
	Year ended December 31, 2024	Year ended December 31, 2023	Year ended December 31, 2024	Year ended December 31, 2023
Production costs	\$ 449.8	\$ 463.3	\$ 1,184.0	\$ 1,015.9
Restructuring and end-of-mine life severance accruals and payments ⁽¹⁾	—	(11.6)	(6.8)	(4.4)
Purchase price allocation inventory fair value adjustment ⁽²⁾	—	(7.1)	—	(34.7)
NRV inventory adjustments	3.8	(3.9)	(24.4)	35.7
On-site direct operating costs	453.6	440.7	1,152.9	1,012.5
Royalties	40.1	32.9	24.8	23.0
Smelting, refining and direct selling charges ⁽³⁾	30.8	65.0	4.3	4.4
Cash Cost of sales before by-product credits	524.5	538.6	1,182.0	1,039.9
Silver segment by-product credits ⁽³⁾	(335.5)	(342.3)	—	—
Gold segment by-product credits ⁽³⁾	—	—	(197.3)	(148.3)
Cash Costs	\$ 189.0	\$ 196.3	\$ 984.6	\$ 891.6
NRV inventory adjustments	(3.8)	3.9	24.4	(35.7)
Sustaining capital	58.4	69.2	220.5	219.2
Exploration and project development ⁽⁴⁾	—	—	—	—
Reclamation cost accretion ⁽⁵⁾	3.4	3.4	22.8	23.6
All-in sustaining costs	\$ 247.1	\$ 272.8	\$ 1,252.3	\$ 1,098.7
Silver segment silver ounces sold (Moz)	13.2	15.0	—	—
Gold segment gold ounces sold (koz)	—	—	818.4	801.2
Cash Costs per ounce sold	\$ 14.30	\$ 13.07	\$ 1,203	\$ 1,113
AISC per ounce sold	\$ 18.70	\$ 18.17	\$ 1,530	\$ 1,371
AISC per ounce sold (excluding NRV inventory adjustments)	\$ 18.98	\$ 17.91	\$ 1,501	\$ 1,416

- (1) Included in production costs line of the consolidated income statements. Restructuring and end-of-mine life severance accruals and payments reflect mine operation severance payments related to non-recurring asset workforce restructurings and mine closures.
- (2) Included in production costs line of the consolidated income statements. Purchase price allocation inventory fair value adjustments reflect adjustments to inventory values for inventories acquired as part of the Yamana Acquisition.
- (3) Included in the revenue line of the consolidated income statements. By-product credits are reflective of realized metal prices for the applicable periods.
- (4) Exploration and project development expenditures exclude \$0.9 million and \$10.1 million for Q4 2024 and 2024, respectively (Q4 2023 and 2023: \$3.8 million and \$14.6 million, respectively) of exploration expenditures related to non-operating properties.
- (5) Reclamation cost accretion excludes \$1.2 million and \$5.0 million for Q4 2024 and 2024, respectively (Q4 2023 and 2023: \$1.1 million and \$7.2 million, respectively) of accretion related to non-operating properties.
- (6) La Arena data represents operating results from January 1, 2024 to November 30, 2024; see the Strategic Dispositions section of this MD&A for further details.

Reconciliation of payments for mineral properties, plant and equipment and sustaining capital:

Sustaining capital is included in AISC, while capital related to growth projects or acquisitions (referred to by the Company as project or investment capital) is not. Inclusion of only sustaining capital in the AISC measure reflects the capital costs associated with current ounces sold as opposed to project capital, which is expected to increase future production.

	Three Months Ended December 31,		Year ended December 31,	
	2024	2023	2024	2023
Payments for mineral properties, plant and equipment ⁽¹⁾	\$ 85.5	\$ 118.9	\$ 323.4	\$ 379.0
Add/(Subtract)				
Lease Payments ⁽¹⁾	12.2	19.0	50.3	44.0
Repayment of loans ⁽²⁾	1.7	(3.5)	6.7	6.7
La Colorada investment (non-sustaining) capital	(8.0)	(10.2)	(30.8)	(44.4)
Jacobina investment (non-sustaining) capital	(4.5)	(10.2)	(14.4)	(23.8)
Huaron investment (non-sustaining) capital	(6.5)	(12.1)	(39.4)	(15.8)
Timmins investment (non-sustaining) capital	(1.5)	(4.1)	(8.8)	(7.7)
MARA investment (non-sustaining) capital	—	—	—	(35.9)
Other investment (non-sustaining) capital	(1.1)	(5.2)	(8.0)	(13.7)
Sustaining Capital	\$ 77.9	\$ 92.6	\$ 279.0	\$ 288.5

(1) As presented on the consolidated statements of cash flows.

(2) As presented on the consolidated statements of cash flows. Related to repayments of construction loans for leach pad expansions in Peru.

Silver Segment Cash Costs and AISC by mine:

SILVER SEGMENT	Three Months Ended December 31, 2024					
	La Colorada	Cerro Moro	Huaron	San Vicente	Consolidated Silver Segment	
Production Costs	\$ 33.5	\$ 44.3	\$ 32.7	\$ 7.3	\$ 117.8	
NRV inventory adjustments	0.3	—	—	—	0.3	
On-site direct operating costs	33.8	44.3	32.7	7.3	118.1	
Royalties	2.8	7.9	—	7.3	18.0	
Smelting, refining & direct selling costs	2.8	1.9	4.3	0.1	9.1	
Cash Costs before by-product credits	39.3	54.1	37.0	14.7	145.2	
Silver segment by-product credits	(16.1)	(48.1)	(26.4)	(1.0)	(91.7)	
Cash Costs	\$ 23.3	\$ 6.0	\$ 10.6	\$ 13.7	\$ 53.5	
NRV inventory adjustments	(0.3)	—	—	—	(0.3)	
Sustaining capital	11.5	3.4	5.7	0.6	21.3	
Exploration and project development	—	—	—	—	—	
Reclamation cost accretion	0.1	0.4	0.2	0.1	0.9	
All-in sustaining costs	\$ 34.6	\$ 9.8	\$ 16.5	\$ 14.4	\$ 75.3	
Silver segment silver ounces sold (Moz)	1.55	0.81	0.82	0.62	3.80	
Cash cost per ounce sold	\$ 14.98	\$ 7.40	\$ 12.94	\$ 21.89	\$ 14.06	
AISC per ounce sold	\$ 22.29	\$ 12.16	\$ 20.17	\$ 23.02	\$ 19.80	
AISC per ounce sold (excluding NRV inventory adjustments)	\$ 22.48	\$ 12.16	\$ 20.17	\$ 23.02	\$ 19.88	

SILVER SEGMENT	Three Months Ended December 31, 2023					
	La Colorada	Cerro Moro	Huaron	San Vicente	Consolidated Silver Segment	
Production Costs	\$ 33.7	\$ 60.6	\$ 25.9	\$ 14.4	\$ 134.7	
Restructuring and end-of-mine life severance accruals and payments	(1.8)	—	—	—	(1.8)	
Purchase Price Allocation Inventory Fair Value Adjustment	—	(0.9)	—	—	(0.9)	
NRV inventory adjustments	(0.9)	—	—	—	(0.9)	
On-site direct operating costs	31.0	59.7	25.9	14.4	131.1	
Royalties	0.2	9.2	—	4.3	13.7	
Smelting, refining & direct selling costs	1.5	2.5	6.9	2.9	13.8	
Cash Costs before by-product credits	32.8	71.3	32.8	21.7	158.6	
Silver segment by-product credits	(3.4)	(58.8)	(24.0)	(8.8)	(95.0)	
Cash Costs	\$ 29.4	\$ 12.5	\$ 8.8	\$ 12.9	\$ 63.6	
NRV inventory adjustments	0.9	—	—	—	0.9	
Sustaining capital	5.1	10.9	5.2	1.0	22.2	
Exploration and project development	—	—	—	—	—	
Reclamation cost accretion	0.2	0.3	0.3	0.1	0.8	
All-in sustaining costs	\$ 35.5	\$ 23.7	\$ 14.3	\$ 14.0	\$ 87.5	
Silver segment silver ounces sold (Moz)	0.78	1.02	0.68	0.81	3.29	
Cash cost per ounce sold	\$ 37.59	\$ 12.24	\$ 12.93	\$ 15.98	\$ 19.31	
AISC per ounce sold	\$ 45.43	\$ 23.16	\$ 20.91	\$ 17.33	\$ 26.55	
AISC per ounce sold (excluding NRV inventory adjustments)	\$ 44.26	\$ 23.16	\$ 20.91	\$ 17.33	\$ 26.28	

SILVER SEGMENT
Year ended December 31, 2024

	La Colorada	Cerro Moro	Huaron	San Vicente	Consolidated Silver Segment
Production Costs	\$ 113.6	\$ 184.2	\$ 110.6	\$ 41.4	\$ 449.8
NRV inventory adjustments	3.8	—	—	—	3.8
On-site direct operating costs	117.4	184.2	110.6	41.4	453.6
Royalties	4.9	12.5	—	22.7	40.1
Smelting, refining & direct selling costs	7.9	4.5	15.3	3.2	30.8
Cash Costs before by-product credits	130.1	201.2	125.9	67.3	524.5
Silver segment by-product credits	(42.0)	(172.1)	(98.5)	(22.9)	(335.5)
Cash Costs	\$ 88.1	\$ 29.1	\$ 27.4	\$ 44.4	\$ 189.0
NRV inventory adjustments	(3.8)	—	—	—	(3.8)
Sustaining capital	24.2	12.2	17.1	5.0	58.4
Exploration and project development	—	—	—	—	—
Reclamation cost accretion	0.6	1.7	0.9	0.3	3.4
All-in sustaining costs	\$ 109.1	\$ 43.0	\$ 45.3	\$ 49.7	\$ 247.1
Silver segment silver ounces sold (Moz)	4.37	3.04	3.10	2.71	13.22
Cash cost per ounce sold	\$ 20.16	\$ 9.57	\$ 8.84	\$ 16.40	\$ 14.30
AISC per ounce sold	\$ 24.95	\$ 14.13	\$ 14.64	\$ 18.38	\$ 18.70
AISC per ounce sold (excluding NRV inventory adjustments)	\$ 25.81	\$ 14.13	\$ 14.64	\$ 18.38	\$ 18.98

SILVER SEGMENT
Year ended December 31, 2023

	La Colorada	Cerro Moro	Huaron	San Vicente	Manantial Espejo	Consolidated Silver Segment
Production Costs	\$ 127.4	\$ 146.0	\$ 105.2	\$ 52.5	\$ 32.1	\$ 463.3
Restructuring and end-of-mine life severance accruals and payments	(1.8)	(1.0)	—	—	(8.8)	(11.6)
Purchase Price Allocation Inventory Fair Value Adjustment	—	(7.1)	—	—	—	(7.1)
NRV inventory adjustments	(3.8)	—	—	—	(0.1)	(3.9)
On-site direct operating costs	121.9	137.8	105.2	52.5	23.2	440.7
Royalties	0.6	14.7	—	17.3	0.3	32.9
Smelting, refining & direct selling costs	9.5	17.5	26.4	10.0	1.6	65.0
Cash Costs before by-product credits	132.0	170.0	131.6	79.8	25.1	538.6
Silver segment by-product credits	(29.2)	(160.5)	(100.5)	(35.2)	(16.9)	(342.3)
Cash Costs	\$ 102.8	\$ 9.6	\$ 31.1	\$ 44.6	\$ 8.2	\$ 196.3
NRV inventory adjustments	3.8	—	—	—	0.1	3.9
Sustaining capital	19.5	25.4	20.4	3.8	0.2	69.2
Exploration and project development	—	—	—	—	—	—
Reclamation cost accretion	0.6	0.8	1.1	0.3	0.5	3.4
All-in sustaining costs	\$ 126.7	\$ 35.8	\$ 52.6	\$ 48.7	\$ 9.0	\$ 272.8
Silver segment silver ounces sold (Moz)	4.50	3.58	3.13	2.85	0.96	15.01
Cash cost per ounce sold	\$ 22.82	\$ 2.68	\$ 9.95	\$ 15.64	\$ 8.56	\$ 13.07
AISC per ounce sold	\$ 28.13	\$ 10.00	\$ 16.82	\$ 17.09	\$ 9.39	\$ 18.17
AISC per ounce sold (excluding NRV inventory adjustments)	\$ 27.30	\$ 10.00	\$ 16.82	\$ 17.09	\$ 9.30	\$ 17.91

Gold Segment Cash Costs and AISC by mine:

GOLD SEGMENT								
Three Months Ended December 31, 2024								
	Jacobina	El Peñon	Timmins	Shahuindo	La Arena	Minera Florida	Dolores	Consolidated Gold Segment
Production Costs	\$ 51.4	\$ 56.9	\$ 45.4	\$ 37.1	\$ 27.2	\$ 43.1	\$ 37.3	\$ 298.4
Restructuring and end-of-mine life severance accruals and payments	—	—	—	—	—	—	(0.3)	(0.3)
NRV inventory adjustments	—	—	—	—	—	1.4	10.6	12.0
On-site direct operating costs	51.4	56.9	45.4	37.1	27.2	44.5	47.6	310.1
Royalties	2.0	0.2	2.2	—	—	0.5	2.5	7.3
Smelting, refining & direct selling costs	0.1	0.5	—	—	—	—	—	0.7
Cash Costs before by-product credits	53.5	57.6	47.6	37.1	27.2	45.0	50.1	318.1
Gold segment by-product credits	—	(34.2)	(0.1)	(1.7)	(0.2)	(12.2)	(14.7)	(63.0)
Cash Costs of Sales	\$ 53.4	\$ 23.4	\$ 47.6	\$ 35.4	\$ 27.0	\$ 32.8	\$ 35.4	\$ 255.1
NRV inventory adjustments	—	—	—	—	—	(1.4)	(10.6)	(12.0)
Sustaining capital	10.9	8.4	13.4	14.3	3.7	5.5	0.4	56.7
Exploration and project development	—	—	—	—	—	—	—	—
Reclamation cost accretion	0.5	0.4	0.1	0.7	0.8	0.6	2.2	5.4
All-in sustaining costs	\$ 64.9	\$ 32.2	\$ 61.1	\$ 50.4	\$ 31.5	\$ 37.6	\$ 27.4	\$ 305.1
Gold segment gold ounces sold (koz)	54.3	29.6	28.0	35.1	19.0	21.2	21.2	208.5
Cash cost per ounce sold	\$ 983	\$ 791	\$ 1,700	\$ 1,008	\$ 1,419	\$ 1,551	\$ 1,666	\$ 1,223
AISC per ounce sold	\$ 1,194	\$ 1,089	\$ 2,182	\$ 1,435	\$ 1,658	\$ 1,776	\$ 1,291	\$ 1,463
AISC per ounce sold (excluding NRV inventory adjustments)	\$ 1,194	\$ 1,089	\$ 2,182	\$ 1,435	\$ 1,658	\$ 1,840	\$ 1,790	\$ 1,521

GOLD SEGMENT								
Three Months Ended December 31, 2023								
	Jacobina	El Peñon	Timmins	Shahuindo	La Arena	Minera Florida	Dolores	Consolidated Gold Segment
Production Costs	\$ 40.7	\$ 56.3	\$ 52.0	\$ 38.4	\$ 35.1	\$ 38.2	\$ 45.8	\$ 306.5
Restructuring and end-of-mine life severance accruals and payments	(0.6)	—	—	—	—	—	—	(0.6)
Purchase Price Allocation Inventory Fair Value Adjustment	(1.5)	(6.3)	—	—	—	(1.0)	—	(8.8)
NRV inventory adjustments	—	—	—	—	—	—	1.1	1.1
On-site direct operating costs	38.6	50.0	52.0	38.4	35.1	37.2	46.9	298.2
Royalties	1.5	—	2.3	—	—	0.4	2.5	6.6
Smelting, refining & direct selling costs	—	0.9	—	—	—	0.7	—	1.6
Cash Costs before by-product credits	40.0	50.9	54.4	38.4	35.1	38.2	49.4	306.4
Gold segment by-product credits	—	(20.8)	(0.3)	(2.2)	(0.3)	(5.7)	(13.5)	(42.9)
Cash Costs of Sales	\$ 40.0	\$ 30.0	\$ 54.1	\$ 36.2	\$ 34.8	\$ 32.5	\$ 35.9	\$ 263.5
NRV inventory adjustments	—	—	—	—	—	—	(1.1)	(1.1)
Sustaining capital	15.9	7.0	9.2	16.4	12.1	9.1	0.8	70.5
Exploration and project development	—	—	—	—	—	—	—	—
Reclamation cost accretion	0.3	0.5	0.1	0.9	1.6	0.7	2.0	6.3
All-in sustaining costs	\$ 56.2	\$ 37.6	\$ 63.4	\$ 53.5	\$ 48.5	\$ 42.3	\$ 37.5	\$ 339.1
Gold segment gold ounces sold (koz)	55.0	31.9	36.5	36.8	28.0	23.7	28.6	240.4
Cash cost per ounce sold	\$ 727	\$ 942	\$ 1,483	\$ 985	\$ 1,243	\$ 1,370	\$ 1,255	\$ 1,096
AISC per ounce sold	\$ 1,022	\$ 1,178	\$ 1,737	\$ 1,456	\$ 1,735	\$ 1,784	\$ 1,314	\$ 1,411
AISC per ounce sold (excluding NRV inventory adjustments)	\$ 1,022	\$ 1,178	\$ 1,737	\$ 1,456	\$ 1,735	\$ 1,784	\$ 1,354	\$ 1,415

GOLD SEGMENT
Year ended December 31, 2024

	Jacobina	El Peñon	Timmins	Shahuindo	La Arena	Minera Florida	Dolores	Consolidated Gold Segment
Production Costs	\$ 185.4	\$ 217.0	\$ 196.6	\$ 141.4	\$ 112.0	\$ 153.5	\$ 177.9	\$ 1,184.0
Restructuring and end-of-mine life severance accruals and payments	—	—	—	—	—	—	(6.8)	(6.8)
NRV inventory adjustments	—	—	—	—	—	1.2	(25.5)	(24.4)
On-site direct operating costs	185.4	217.0	196.6	141.4	112.0	154.7	145.6	1,152.9
Royalties	6.9	0.2	8.5	—	—	1.4	7.9	24.8
Smelting, refining & direct selling costs	0.9	2.6	0.1	—	—	0.6	—	4.3
Cash Costs before by-product credits	193.2	219.8	205.2	141.4	112.0	156.7	153.6	1,182.0
Gold segment by-product credits	(0.1)	(106.4)	(0.2)	(7.4)	(1.1)	(31.8)	(50.3)	(197.3)
Cash Costs of Sales	\$ 193.1	\$ 113.3	\$ 205.1	\$ 134.0	\$ 111.0	\$ 124.9	\$ 103.3	\$ 984.6
NRV inventory adjustments	—	—	—	—	—	(1.2)	25.5	24.4
Sustaining capital	49.9	36.9	42.9	51.4	17.1	21.7	0.7	220.5
Exploration and project development	—	—	—	—	—	—	—	—
Reclamation cost accretion	2.1	1.6	0.4	2.8	4.6	2.4	8.9	22.8
All-in sustaining costs	\$ 245.0	\$ 151.8	\$ 248.3	\$ 188.2	\$ 132.7	\$ 147.8	\$ 138.4	\$ 1,252.3
Gold segment gold ounces sold (koz)	199.3	122.1	122.8	137.3	81.6	81.0	74.4	818.4
Cash cost per ounce sold	\$ 969	\$ 929	\$ 1,670	\$ 976	\$ 1,360	\$ 1,542	\$ 1,388	\$ 1,203
AISC per ounce sold	\$ 1,230	\$ 1,244	\$ 2,023	\$ 1,371	\$ 1,627	\$ 1,825	\$ 1,861	\$ 1,530
AISC per ounce sold (excluding NRV inventory adjustments)	\$ 1,230	\$ 1,244	\$ 2,023	\$ 1,371	\$ 1,627	\$ 1,839	\$ 1,518	\$ 1,501

GOLD SEGMENT
Year ended December 31, 2023

	Jacobina	El Peñon	Timmins	Shahuindo	La Arena	Minera Florida	Dolores	Consolidated Gold Segment
Production Costs	\$ 125.8	\$ 184.1	\$ 193.3	\$ 143.7	\$ 122.4	\$ 123.4	\$ 123.3	\$ 1,015.9
Restructuring and end-of-mine life severance accruals and payments	(1.1)	—	—	—	—	—	(3.3)	(4.4)
Purchase Price Allocation Inventory Fair Value Adjustment	(14.1)	(18.7)	—	—	—	(2.0)	—	(34.7)
NRV inventory adjustments	—	—	—	—	—	—	35.7	35.7
On-site direct operating costs	110.6	165.4	193.3	143.7	122.4	121.5	155.7	1,012.5
Royalties	4.2	0.1	8.1	—	—	1.2	9.3	23.0
Smelting, refining & direct selling costs	0.6	2.4	0.2	—	—	1.2	—	4.4
Cash Costs before by-product credits	115.3	167.9	201.6	143.7	122.4	124.0	165.1	1,039.9
Gold segment by-product credits	(0.1)	(70.7)	(0.4)	(6.6)	(1.1)	(17.0)	(52.5)	(148.3)
Cash Costs of Sales	\$ 115.2	\$ 97.3	\$ 201.2	\$ 137.1	\$ 121.2	\$ 107.0	\$ 112.6	\$ 891.6
NRV inventory adjustments	—	—	—	—	—	—	(35.7)	(35.7)
Sustaining capital	46.1	18.6	39.2	63.1	21.2	22.3	8.7	219.2
Exploration and project development	—	—	—	—	—	—	—	—
Reclamation cost accretion	1.1	1.6	0.5	3.6	6.6	2.2	8.1	23.6
All-in sustaining costs	\$ 162.4	\$ 117.4	\$ 240.8	\$ 203.8	\$ 149.0	\$ 131.5	\$ 93.8	\$ 1,098.7
Gold segment gold ounces sold (koz)	146.7	97.3	133.8	142.4	98.1	72.7	110.3	801.2
Cash cost per ounce sold	\$ 786	\$ 1,000	\$ 1,503	\$ 963	\$ 1,237	\$ 1,472	\$ 1,021	\$ 1,113
AISC per ounce sold	\$ 1,107	\$ 1,207	\$ 1,800	\$ 1,431	\$ 1,520	\$ 1,809	\$ 850	\$ 1,371
AISC per ounce sold (excluding NRV inventory adjustments)	\$ 1,107	\$ 1,207	\$ 1,800	\$ 1,431	\$ 1,520	\$ 1,809	\$ 1,174	\$ 1,416

Adjusted Earnings

Adjusted earnings and basic adjusted earnings per share are non-GAAP measures that the Company considers to better reflect normalized earnings because it eliminates items that in Management's judgment are subject to volatility as a result of factors that are unrelated to operations in the period, and/or relate to items that will settle in future periods. The Company adjusts certain items in the periods that they occurred, but does not reverse or otherwise unwind the effect of such items in future periods. Neither adjusted earnings nor basic adjusted earnings per share have any standardized meaning prescribed by GAAP and are therefore unlikely to be comparable to similar measures presented by other companies.

The following table shows a reconciliation of adjusted earnings for the year ended December 31, 2024 and 2023, to the net earnings for each period.

(In millions of USD, except as noted)	Three Months Ended December 31,		Year ended December 31,	
	2024	2023	2024	2023
Net earnings (loss) for the period	\$ 107.8	\$ (67.8)	\$ 112.7	\$ (104.9)
Adjust for:				
Impairment charges	—	36.2	—	78.6
Gains from sale of subsidiaries	(137.4)	—	(137.4)	(6.7)
Unrealized foreign exchange (gains) losses	(6.0)	5.6	(21.3)	5.6
Net realizable value heap inventory expense	53.5	5.7	116.9	11.0
Acquired Mines fair value inventory expense	—	—	—	32.3
Derivative unrealized losses (gains)	13.7	(5.4)	19.6	5.5
Loss from associates	—	—	0.1	0.4
Severance provisions	0.4	2.5	7.3	26.2
Mineral property, plant and equipment (gains) losses on sale	(2.5)	0.4	1.4	(1.2)
Litigation provisions	(0.2)	—	2.6	—
Transaction and integration costs	—	0.3	—	25.3
Investment loss (income)	5.9	(3.3)	14.3	5.5
Change in mine reclamation obligations	53.8	13.8	53.7	15.7
Tax settlements related to prior years' income taxes ⁽¹⁾	—	—	46.8	—
Effect of taxes on adjusting items	12.1	2.9	(1.1)	(18.0)
Effect of foreign exchange on taxes	25.8	(7.2)	71.1	(36.0)
Total adjustments	\$ 19.1	\$ 51.5	\$ 174.0	\$ 144.2
Adjusted earnings (loss) for the period	\$ 126.9	\$ (16.3)	\$ 286.7	\$ 39.3
Weighted average shares for the period	363.0	364.7	363.4	326.5
Adjusted earnings (loss) per share for the period	\$ 0.35	\$ (0.04)	\$ 0.79	\$ 0.12

(1) Includes the Settlement made with the SAT to resolve specific disputed items related to the income tax filings for the years 2016 through 2022 (\$40.5 million), and the amendment of Argentine income tax filings from 2018 to 2023 to adjust the tax treatment of certain intercompany debts (\$6.3 million) - see "Financial Performance" section for more details.

Total Debt

Total debt is a non-GAAP measure calculated as the total current and non-current portions of: long-term debt (including amounts drawn on the SL-Credit Facility), lease liabilities, and loans payable. Total debt does not have any standardized meaning prescribed by GAAP and is therefore unlikely to be comparable to similar measures presented by other companies. The Company and certain investors use this information to evaluate the financial debt leverage of the Company.

Capital

Capital is a non-GAAP measure and is calculated as total equity plus total debt less cash and cash equivalents and short-term investments. Capital does not have any standardized meaning prescribed by GAAP and is therefore

unlikely to be comparable to similar measures presented by other companies. The Company and certain investors use this information to evaluate the enterprise value of the Company.

Working Capital

Working capital is a non-GAAP measure calculated as current assets less current liabilities. Working capital does not have any standardized meaning prescribed by GAAP and is therefore unlikely to be comparable to similar measures presented by other companies. The Company and certain investors use this information to evaluate whether the Company is able to meet its current obligations using its current assets.

RISKS AND UNCERTAINTIES

The Company is exposed to many risks in conducting its business, including but not limited to: metal price risk as the Company derives its revenue from the sale of silver, gold, zinc, lead, and copper; trading and credit risk in the normal course of dealing with other companies; foreign exchange risk as the Company reports its financial statements in USD whereas the Company operates in jurisdictions that utilize other currencies; risks relating to cyber security; the inherent risk of uncertainties in estimating mineral reserves and mineral resources; political, economic and social risks related to conducting business in jurisdictions such as Canada, Peru, Mexico, Argentina, Bolivia, Chile, Brazil and Guatemala; environmental risks; and risks related to its relations with employees and local communities where we operate. Certain of these risks, and additional risks and uncertainties, are described below, and are more fully described in Pan American's Annual Information Form dated February 19, 2025 (available on SEDAR+ at www.sedarplus.ca) and Form 40-F filed with the SEC, and in the Financial Instruments section of the 2024 Annual Financial Statements. Readers are encouraged to refer to these documents for a more detailed description of some of the risks and uncertainties inherent to Pan American's business.

Financial Risk Exposure

The Company is exposed to financial risks, including metal price risk, credit risk, interest rate risk, foreign currency exchange rate risk, and liquidity risk. The Company's exposures and management of each of those risks is described in the 2024 Annual Financial Statements under Note 10 "Financial Instruments", along with the financial statement classification, the significant assumptions made in determining the fair value, and amounts of income, expenses, gains and losses associated with financial instruments. Fair value estimates are made at a specific point in time, based on relevant market information and information about the financial instrument. These estimates are subjective in nature and involve uncertainties and matters of significant judgment and, therefore, cannot be determined with precision. Changes in assumptions could significantly affect the estimates. There were no significant changes to those risks or to the Company's management of exposure to those risks during the year ended December 31, 2024.

The following provides a description of the risks related to financial instruments and how Management manages these risks:

Price Risk

The majority of our revenue is derived from the sale of silver, gold, zinc, copper and lead, and therefore fluctuations in the price of these metals significantly affect our operations and profitability. Our sales are directly dependent on metal prices, and metal prices have historically shown significant volatility and are beyond our control. The Board of Directors continually assesses Pan American's strategy towards our metal exposure, depending on market conditions. The table below illustrates the effect of changes in silver and gold prices on anticipated revenues for 2025, expressed in percentage terms. This analysis assumes that quantities of silver and gold produced and sold remain constant under all price scenarios presented.

2025 Revenue Metal Price Sensitivity

		Gold Price						
Silver Price		\$2,200	\$2,350	\$2,500	\$2,650	\$2,800	\$2,950	\$3,100
	\$25.50	85%	89%	93%	97%	101%	105%	109%
	\$27.00	86%	90%	94%	98%	102%	106%	110%
	\$28.50	87%	91%	95%	99%	103%	107%	111%
	\$30.00	88%	92%	96%	100%	104%	108%	112%
	\$31.50	89%	93%	97%	101%	105%	109%	113%
	\$33.00	90%	94%	98%	102%	106%	110%	114%
	\$34.50	91%	95%	99%	103%	107%	111%	115%

Since base metal and gold revenue are treated as a by-product credit for purposes of calculating Silver Segment Cash Costs and AISC per ounce of silver sold, and base metal and silver revenue is treated as a by-product credit for purposes of calculating Gold Segment Cash Costs and AISC per ounce of gold sold, these non-GAAP measures are highly sensitive to metal prices. The tables below illustrate this point by plotting the expected 2025 Silver Segment AISC per silver ounce against various price assumptions for the Silver Segment's two main by-product credits, gold and zinc, and plotting the expected 2025 Gold Segment AISC per gold ounce against various price assumptions for the Gold Segment's two main by-product credits, silver and zinc, expressed in percentage terms:

2025 Silver Segment AISC Metal Price Sensitivity

		Gold Price						
Zinc Price		\$2,200	\$2,350	\$2,500	\$2,650	\$2,800	\$2,950	\$3,100
	\$2,550	120%	115%	110%	105%	100%	95%	90%
	\$2,700	118%	113%	109%	104%	99%	94%	89%
	\$2,850	117%	112%	107%	102%	97%	92%	87%
	\$3,000	115%	110%	105%	100%	95%	90%	85%
	\$3,150	114%	109%	104%	99%	94%	89%	84%
	\$3,300	112%	107%	102%	97%	93%	88%	83%
	\$3,450	111%	106%	101%	96%	91%	87%	82%

2025 Gold Segment AISC Metal Price Sensitivity

		Silver Price						
Zinc Price		\$25.50	\$27.00	\$28.50	\$30.00	\$31.50	\$33.00	\$34.50
	\$2,550	102%	102%	101%	100%	100%	99%	98%
	\$2,700	102%	102%	101%	100%	99%	99%	98%
	\$2,850	102%	102%	101%	100%	99%	99%	98%
	\$3,000	102%	101%	101%	100%	99%	99%	98%
	\$3,150	102%	101%	101%	100%	99%	98%	98%
	\$3,300	102%	101%	101%	100%	99%	98%	98%
	\$3,450	102%	101%	101%	100%	99%	98%	98%

The price of silver, gold and other metals are affected by numerous factors beyond our control, including:

- global and regional levels of supply and demand;
- sales by government holders and other third parties;
- metal stock levels maintained by producers and others;
- increased production due to new mine developments and improved mining and production methods;
- speculative activities;
- inventory carrying costs;
- availability, demand and costs of metal substitutes;

- international economic and political conditions;
- interest rates, inflation and currency values;
- geopolitical tensions, regional conflicts, terrorism and wars;
- the emergence of cryptocurrencies as a store of value and hedge against inflation in competition with precious metals;
- increased demand for silver, gold, or other metals for new technologies; and
- reduced demand resulting from obsolescence of technologies and processes utilizing silver, gold, and other metals.

In addition to general global economic conditions that can have a significant impact on our business in many ways, declining market prices for metals could materially adversely affect our operations and profitability. A decrease in the market price of silver, gold and other metals could affect the commercial viability of our mines and production at some of our mining properties. Lower prices could also adversely affect future exploration and our ability to develop mineral properties and mines, including the development of capital-intensive projects such as the La Colorada Skarn project, all of which would have a material adverse impact on our financial condition, results of operations and future prospects. There can be no assurance that the market prices for silver, gold and other metals will remain at levels sufficient to sustain long-term profitability.

If market prices of gold and silver remain below levels used in Pan American's impairment testing and reserve prices for an extended period of time, Pan American may need to reassess its long-term price assumptions, and a significant decrease in the long-term price assumptions would be an indicator of potential impairment, requiring Pan American to perform an impairment assessment on related assets. Due to the sensitivity of the recoverable amounts to long term metal prices, as well as to other factors including changes to mine plans and cost escalations, any significant change in these key assumptions and inputs could result in impairment charges in future periods.

The Board of Directors continually assesses Pan American's strategy towards our base metal exposure, depending on market conditions. From time to time, we mitigate the market price risk associated with our base metal production by committing some of our forecast base metal production to forward sales and options contracts. However, decisions relating to hedging may have material adverse effects on our financial performance, financial position, and results of operations.

The Company did not have any base metal or diesel contracts outstanding during the year ended December 31, 2023 or 2024.

We take the view that our precious metals production should not be hedged, thereby allowing the maximum exposure to precious metal prices. However, in extreme circumstances, the Board of Directors may make exceptions to this approach. Such decisions could have material adverse effects upon our financial performance, financial position, and results of operations.

Trading Activities and Credit Risk

The zinc, lead, copper, and silver concentrates produced by us are sold through long-term supply arrangements to metal traders or integrated mining and smelting companies. The terms of the concentrate contracts may require us to deliver concentrate that has a value greater than the payment received at the time of delivery, thereby introducing us to credit risk of the buyers of our concentrates. Should any of these counterparties not honour our contractual arrangements, or should any of them become insolvent, we may incur losses for products already shipped and be forced to sell our concentrates in the spot market or we may not have a market for our concentrates and therefore our future operating results may be materially adversely impacted.

As at December 31, 2024, we had receivable balances associated with buyers of our concentrates of \$31.2 million (December 31, 2023 - \$17.5 million). The vast majority of our concentrate is sold to a limited number of concentrate buyers.

Doré production is refined under long-term agreements with fixed refining terms at seven separate refineries worldwide. The Company generally retains the title to the precious metals throughout the process of refining and therefore is exposed to the risk that the refineries will not be able to perform in accordance with the refining contract and that the Company may not be able to fully recover precious metals in such circumstances. As at December 31, 2024, we had approximately \$68.8 million (December 31, 2023 - \$10.8 million) contained in precious metal inventory at refineries. The Company maintains insurance coverage against the loss of precious metals at the Company's mine sites, and in-transit to refineries. Risk is transferred to the refineries at various stages from mine site to refinery.

Refined silver and gold are sold in the spot market to various bullion traders and banks. Credit risk may arise from these activities if we are not paid for metal at the time it is delivered, as required by spot sale contracts.

The Company maintains trading facilities with several banks and bullion dealers for the purposes of transacting the Company's metal sales. None of these facilities are subject to margin arrangements. The Company's trading activities can expose the Company to the credit risk of its counterparties to the extent that the trading positions have a positive mark-to-market value.

Supplier advances for products and services yet to be provided are a common practice in some jurisdictions in which we operate. These advances represent a credit risk to us to the extent that suppliers do not deliver products or perform services as expected. As at December 31, 2024, we had made \$6.7 million of supplier advances (December 31, 2023 - \$10.4 million), which are reflected in "Trade and other receivables" on the consolidated statements of financial position.

Management constantly monitors and assesses the credit risk resulting from its refining arrangements, concentrate sales and commodity contracts with its refiners, supplier advances, trading counterparties and customers. Furthermore, Management carefully considers credit risk when allocating prospective sales and refining business to counterparties. In making allocation decisions, Management attempts to avoid unacceptable concentration of credit risk to any single counterparty.

From time to time, we may invest in equity securities of other companies. Just as investing in Pan American is inherent with risks such as those set out in this MD&A, by investing in other companies we will be exposed to the risks associated with owning equity securities and those risks inherent in the investee companies.

Foreign Currency Exchange Rate Risk

We report our financial statements in USD; however we operate in jurisdictions that utilize other currencies. As a consequence, the financial results of our operations, as reported in USD, are subject to changes in the value of the USD relative to local currencies. Since our sales are denominated in USD and a portion of our operating costs and capital spending are in local currencies, we are negatively impacted by strengthening local currencies relative to the USD and positively impacted by the inverse. From time to time, we mitigate part of this currency exposure by accumulating local currencies, entering into contracts designed to fix or limit our exposure to changes in the value of local currencies relative to the USD, or assuming liability positions to offset financial assets subject to currency risk.

Pan American held cash and short-term investments of \$40.3 million in CAD, \$0.1 million in ARS, \$7.9 million in MXN, \$10.0 million in BOB, \$2.9 million in PEN, \$1.1 million in BRL, \$6.6 million in CLP and \$0.1 million in Guatemalan quetzales, as at December 31, 2024.

At December 31, 2024, Pan American had the following outstanding positions on foreign currency exposure of purchases:

	USD Notional	Weighted Average USD Forward Rate	Weighted Average USD Put Rate	Weighted Average USD Call Rate	Expiry Dates
Canadian dollar collars	\$ 36.0		\$ 1.41	\$ 1.45	January 2025 to December 2025
Canadian dollar forwards ⁽¹⁾	\$ 83.9	\$ 1.38			January 2025 to December 2025
Mexican peso collars	\$ 10.8		\$ 19.00	\$ 23.75	January 2025 to December 2025
Mexican peso forwards	\$ 21.6	\$ 20.39			January 2025 to December 2025
Brazilian real collars	\$ 18.0		\$ 5.40	\$ 6.13	January 2025 to December 2025
Brazilian real forwards	\$ 90.0	\$ 6.11			January 2025 to December 2026
Chilean peso collar ⁽²⁾	\$ 24.0		\$ 935	\$ 1,000	January 2025 to December 2025
Chilean peso forwards	\$ 48.0	\$ 976			January 2025 to December 2025

- (1) Canadian dollar forwards: Of the \$83.9 million of notional outstanding, \$47.9 million of notional is related to enhanced forwards with a reset strike at \$1.36. At each monthly expiry, if CAD is above the reset strike, the reset strike applies to the monthly notional, however if CAD is below the reset strike, the reset strike applies for a 25% decreased monthly notional.
- (2) Chilean Peso collars: \$24.0 million of notional is related to enhanced collars with participation between average strike rates of \$935 and \$1,000. At each monthly expiry, if CLP is above an average strike of \$1,000, CLP is exercised at an average conditional strike of \$952.

The Company recorded the following derivative gains and losses on currencies for the three months and year ended December 31, 2024 and 2023:

	Three Months Ended December 31,		Year ended December 31,	
	2024	2023	2024	2023
Mexican peso (losses) gains	\$ (1.3)	\$ 0.1	\$ (2.7)	\$ 2.5
Peruvian sol (losses) gains	(0.2)	1.4	0.2	2.9
Canadian dollar (losses) gains	(4.1)	3.1	(5.5)	4.1
Chilean peso (losses) gains	(5.6)	1.8	(6.4)	(3.0)
Brazilian real (losses) gains	(7.8)	0.9	(11.0)	1.2
	\$ (19.0)	\$ 7.3	\$ (25.4)	\$ 7.7

The following tables illustrate the effect of changes in the exchange rate of CLP and CAD against the USD, and PEN and BRL against the USD, respectively, on anticipated production costs for 2025 expressed in percentage terms:

2025 Cost of Sales Exchange Rate Sensitivity

		CAD/USD						
CLP/USD		\$1.26	\$1.30	\$1.34	\$1.38	\$1.42	\$1.46	\$1.50
	\$800	104%	104%	103%	103%	103%	102%	102%
	\$850	103%	103%	102%	102%	101%	101%	101%
	\$900	102%	102%	101%	101%	100%	100%	100%
	\$950	101%	101%	100%	100%	100%	99%	99%
	\$1,000	100%	100%	100%	99%	99%	99%	98%
	\$1,050	100%	99%	99%	99%	98%	98%	98%
	\$1,100	99%	99%	98%	98%	98%	97%	97%

		BRL/USD						
		\$4.25	\$4.75	\$5.25	\$5.75	\$6.25	\$6.75	\$7.25
PEN/USD	\$3.15	105%	103%	103%	102%	101%	100%	100%
	\$3.35	104%	103%	102%	101%	100%	100%	99%
	\$3.55	103%	102%	101%	101%	100%	99%	99%
	\$3.75	103%	102%	101%	100%	99%	99%	98%
	\$3.95	103%	101%	100%	100%	99%	98%	98%
	\$4.15	102%	101%	100%	99%	98%	98%	97%
	\$4.35	102%	101%	100%	99%	98%	98%	97%

Our consolidated statements of financial position contains various monetary assets and liabilities, some of which are denominated in foreign currencies. Accounting convention dictates that these balances are translated at the end of each period, with resulting adjustments being reflected as foreign exchange gains or losses on our consolidated statements of earnings, which may result in volatility in our earnings.

In addition to the foregoing, governmental restrictions and controls relating to exchange rates also impact our operations. In Argentina, for example, the government has at times established official exchange rates that were significantly different from the unofficial exchange rates more readily utilized locally to determine prices and value. Our investments in Argentina are primarily funded from outside of the country, and therefore conversion of foreign currencies, like USD, at the official exchange rate has had the effect of reducing purchasing power and substantially increasing relative costs in an already high inflationary market. Maintaining monetary assets in ARS also exposes us to the risks of ARS devaluation and high domestic inflation.

Interest rate risk is the risk that the fair values and future cash flows of the Company will fluctuate because of changes in market interest rates. As previously discussed in the “Liquidity and Financial Position” section of this MD&A, the borrowing costs under the SL-Credit Facility are based on the Company's credit rating subject to pricing adjustments based on the Company's sustainability performance ratings and scores.

Credit Rating

There can be no assurance that the credit ratings and outlook assigned to the Company's debt securities or to the Company will remain in effect for any given period of time or that any such rating or outlook will not be revised downward or withdrawn entirely by a rating agency. Real or anticipated changes in credit ratings or outlook assigned to the Company's debt securities will generally affect the market price of its debt securities. In addition, real or anticipated changes in its credit ratings may also affect the cost at which the Company can access the capital markets. If such ratings decline and its cost of accessing capital markets increases, the Company may not be able to fund proposed capital expenditures and other operations in the future.

Liquidity Risk

Liquidity risk is the risk that we will not be able to meet our financial obligations as they come due. The volatility of the metals markets can impact our ability to forecast cash flow from operations.

We must maintain sufficient liquidity to meet our short-term business requirements, taking into account our anticipated cash flows from operations, our holdings of cash and cash equivalents, and committed loan facilities.

We manage our liquidity risk by continuously monitoring forecasted and actual cash flows. We have in place a rigorous reporting, planning and budgeting process to help determine the funds required to support our normal operating requirements on an ongoing basis and our expansion plans. We continually evaluate and review capital and operating expenditures in order to identify, decrease, and limit all non-essential expenditures.

We are required to use a portion of our cash flow to service principal and interest on debt, which will limit the cash flow available for other business opportunities. We also maintain and enter into intercompany credit arrangements with our subsidiaries in the normal course. Our ability to make scheduled principal payments, pay interest on or refinance our indebtedness depends on our future performance, which is subject to economic, financial, competitive and other factors beyond our control. Unexpected delays in production, the suspension of

our mining licenses, or other operational problems could impact our ability to service the debt and make necessary capital expenditures when the debt becomes due. If we are unable to generate such cash flow to timely repay any debt outstanding, we may be required to adopt one or more alternatives, such as selling assets, restructuring debt or obtaining additional equity capital on terms that may be onerous or highly dilutive. Our ability to refinance our indebtedness will depend on the capital markets and our financial condition at such time. We may not be able to engage in any of these activities or engage in these activities on desirable terms, which could result in a default on our debt obligations.

While we have paid dividends to our shareholders for many years, the payment of dividends is impacted by our cash flows and liquidity situation. The payment of any future dividends is at the discretion of our Board of Directors after taking into account many factors, including availability of and sources of cash, future anticipated funding needs, our debt position, general and regional economic conditions, and expectations with respect to operational matters such as anticipated metals production and metals prices. There can be no assurance that dividends will continue to be paid in the future or on the same terms as are currently paid by Pan American.

Foreign Operations and Political Risk

The Company holds mining and exploration properties in Peru, Mexico, Argentina, Bolivia, Brazil, Chile, Canada, the United States, and Guatemala, exposing it to the socioeconomic conditions, as well as the laws governing the mining industry in those countries. Inherent risks with conducting foreign operations include, but are not limited to: high rates of inflation; military repression; war or civil war; social and labour unrest; organized crime; hostage taking; terrorism; uncertain and evolving legal and regulatory environments; violent crime; extreme fluctuations in currency exchange rates; expropriation and nationalization; renegotiation or nullification of existing concessions, licenses, permits and contracts; illegal mining; changes in taxation policies, including carbon taxes; restrictions on foreign exchange and repatriation; tariffs and countervailing duties imposed on cross-border trade; and changing political norms, currency controls and governmental regulations that favour or require the Company to award contracts in, employ citizens of, or purchase supplies from, a particular jurisdiction.

Changes, if any, in mining or investment policies or shifts in political priorities in any of the jurisdictions in which the Company operates may adversely affect the Company's operations or profitability. Operations may be affected in varying degrees by government regulations with respect to, but not limited to, restrictions on production, price controls, export controls, currency remittance, importation of parts and supplies, income, carbon and other taxes, expropriation or restrictions on the ownership of property, foreign investment, maintenance of claims, environmental legislation, land use, land claims of local people, water use and mine safety. For example, Argentina has in the past and continues to have many highly restrictive policies with respect to foreign investment, currency controls, taxation, import and export controls, and restrictions on the ownership and use of lands, including bans on mining and the use of cyanide in certain provinces and restrictions on the amount of lands that foreign entities, directly or indirectly, can have an ownership interest in. In some cases, this may result in the loss of properties or rights that are valuable or that might otherwise be beneficial or needed in connection with our operations.

As governments continue to struggle with deficits and concerns over the effects of depressed economies, the mining and metals sector has often been identified as a source of revenue. Taxation and royalties are often subject to change and are vulnerable to increases in both poor and good economic times, especially in many resource-rich countries. Tax authorities have also increased challenges to legitimate tax planning through applying general anti-avoidance rules (GAAR), or similar tax provisions, which are intended to deny tax benefits to tax payors that, although complying with a literal reading of the provisions of the tax rules, are allegedly not in compliance with the object, spirit or purpose of the legislation. Audits and inquiries have become more frequent and extensive, consuming significant management time and attention. The addition of new taxes, the re-interpretation of existing tax laws and regulations, and increasingly aggressive and sometimes groundless positions taken by tax authorities, specifically those aimed at mining companies, could have a significant impact on our operations and may have material direct effects on our profitability and our financial results. In some cases, if tax claims are resolved against that Company, these could also include significant interest and penalties. Such tax matters are increasingly being seen in the jurisdictions in which we operate.

In 2020 and 2021, Argentina also issued several Decrees that imposed additional taxes on the export of gold and silver dore. Following their enactment, export of gold dore bars were taxed at a rate of 8% until December 31 2023, and exports of silver dore have been taxed at a 4.5% rate. While the tax rate on exports of gold dore bars is currently 0% since the earlier Decree was not extended past the end of 2023, the government of Argentina could introduce new legislation to reestablish or increase the previous or existing export tax rates on gold and silver. On June 16, 2021, the Argentine government also enacted legislation that increased the corporate tax rate from 25% to 35% and maintains the dividend withholding tax rate at 7% retroactive to January 1, 2021. The unique and uncertain regulatory and economic situation in Argentina has also separately resulted in heightened complexity in the interpretation of tax laws and regulations and this could result in additional tax risk in the country, which could be significant.

On September 25, 2024, the Congress of Chile approved a tax reform bill which was subsequently approved by the Chilean Constitutional Court and became law on October 21, 2024. The legislation made changes to the country's tax legislation and introduced new compliance rules, including modifying general anti-avoidance rules and establishing penalty interest rates. In addition, there was a Specific Mining Tax Bill enacted in May 2023 (the "Tax Bill"). The Tax Bill was effective January 1, 2024 and imposed a new mining royalty of 1% of ad valorem value on copper and lithium and removed the deduction of the mining tax previously allowed in calculating the mining tax payable.

In December 2022, the Brazilian government introduced new transfer pricing rules that would see Brazil adopt the Organisation for Economic Co-operation and Development ("OECD") arm length's principal for cross-border transactions. These rules would align Brazil with OECD countries and pave the way for Brazil to join the OECD. The rules came into effect on January 1, 2024.

On May 8, 2023, the Mexican government enacted a decree to reform various provisions of the mining law (the "Decree"), which was published in the Official Gazette and became law on May 9, 2023. The Decree makes significant changes to the current mining laws, including but not limited to: reducing mining license concession terms; restricting the granting of mining concessions requiring public auctions; imposing conditions on water use and availability; imposing regulations on mining concession transfers; imposing additional grounds for cancellation of mining concessions and further limitations on mining in protected areas; granting preferential rights to mining strategic minerals to state owned enterprises; imposing additional requirements for financial instruments to be provided to guarantee preventive, mitigation, and compensation measures resulting from the social impact assessment, as well as potential damages that may occur during mining activities; and potentially requiring Indigenous Peoples' (ILO 169) consultation. These changes to the mining law are expected to have impacts on our current and future exploration activities and operations in Mexico, the extent of which is yet to be determined but which could be material. Additional Constitutional reforms were presented by the then President of Mexico in February 2024. Some of these reforms have the potential to impact mining in Mexico, including further restrictions on water use, the granting of future concessions for open pit mining, and increased public consultation requirements. These reforms are not law and still need to pass through a legislative process for amendment of the Constitution of Mexico, and will likely face legal challenges if they do. It is notable that the previous May 2023 mining law reforms introduced by the President have still not been implemented and have been challenged by many mining companies, as well as Congress, on Constitutional grounds. In September 2024, the Mexican Congress also approved a sweeping judicial reform that will allow for the popular election of judges, including to Mexico's Supreme Court. These changes are expected to further politicize the Mexican judicial system creating further uncertainty with respect to the application of Mexican laws. Presidential and congressional elections were held in June 2024, and a member of the former President's Moreno party was elected President for a term of 6-years commencing October 1, 2024.

Criminal activity and violence are also prevalent in some areas that we work in. For example, violence in Mexico is well documented and has, over time, been increasing. Conflicts between the drug cartels and violent confrontations with authorities are not uncommon. Operations at our La Colorada mine were temporarily suspended in October 2023 due to security concerns at the mine site and surrounding area following an armed robbery of two trailers of concentrate from the operation. Other criminal activity, such as kidnapping and

extortion, is also an ongoing concern. Many incidents of crime and violence go unreported and efforts by police and other authorities to reduce criminal activity are challenged by a lack of resources, corruption and the pervasiveness of organized crime. Incidents of criminal activity have occasionally affected our employees and our contractors and their families, as well as the communities in the vicinity of our operations. Such incidents may prevent access to our mines or offices; halt or delay our operations and production; result in harm to employees, contractors, visitors or community members; increase employee absenteeism; create or increase tension in nearby communities; or otherwise adversely affect our ability to conduct business. We can provide no assurance that the La Colorada security incident or other security incidents, in the future, will not have a material adverse effect on our operations.

Claims and Legal Proceedings

Pan American is subject to various claims and legal proceedings covering a wide range of matters that arise in the ordinary course of business activities. The nature, assessment and management of such claims are described in this section, and in Note 30 of the 2024 Annual Financial Statements. There were no significant changes to those risks or to the Company's management of exposure to those risks during the year ended December 31, 2024. As a consequence of the Yamana Acquisition, the Company also assumed various claims and legal proceedings. These claims and legal proceedings include, among others, numerous individual labour and tax claims in Argentina and Brazil and exposures with respect to contractual indemnities, some of which could be significant. While many of these claims may not be considered material individually and, in some cases, may be settled for amounts much less than the original amounts claimed, the aggregate amounts claimed against us, if successful, could be material.

In Peru, there are many claims from current or ex-employees, or employees of former or current owners of our operations such as the Quiruvilca-related claims in Peru, which could in the aggregate, be of significant value, and include alleged improper dismissals, workplace illnesses, such as silicosis, and claims for additional profit-sharing and bonuses in prior years. In some cases, we may also be subject to collective settlement obligations with our employees and contractors relating to closures of our operations, and such obligations may be significant.

We may also become subject to class action lawsuits. For example, Tahoe, which was acquired by us in late February 2019, and certain of its former directors and officers, became the subject of class action lawsuits filed in the United States and Canada in 2017 and 2018, respectively. These lawsuits sought significant damages. We disputed the allegations made in these suits. In January 2023, the plaintiffs and defendants reached a tentative global settlement to resolve both the United States and Canadian class actions, and these matters were formally settled in 2024.

In early May 2021, Pan American Silver Guatemala S.A. ("PAS Guatemala") and the Guatemala Ministry of Energy and Mines were served with legal proceedings that were originated in the Constitutional Court of Guatemala by a small group of residents and landowners, or alleged residents and landowners, from the La Cuchilla community near the Escobal mine claiming that prior mining activities damaged their lands. Currently, operations at Escobal are suspended pending the completion of the government-led ILO 169 consultation process. Nevertheless, the action sought injunctive relief to prevent future mining activities at Escobal. The claims and related request for an injunction against both the Guatemala Ministry of Energy and Mines and against PAS Guatemala have subsequently been denied by the Constitutional Court.

As reported in our most recently filed Annual Information Form, certain individuals have asserted community rights and land ownership over a portion of the La Colorada mine's surface lands in the Agrarian Courts of Mexico. We successfully defended this proceeding, which was rejected and dismissed by the Agrarian Courts. This decision was then subject to a number of appeals in the Agrarian Appeal Court and Federal Circuit Courts, which appeals were finally concluded in June 2024 confirming the Agrarian court's rejection of these claims to communal land rights and definitively confirming La Colorada's legal ownership of these lands. These individuals have also initiated a process before the Secretariat of Agrarian, Territorial and Urban Development ("SEDATU") in Zacatecas to declare such lands as national property. In 2019, we filed an amparo against such process and obtained an injunction to protect its ownership of these surface rights pending the outcome of the amparo and a further review by SEDATU. Our challenge was dismissed in October 2021, primarily on the basis that no final declaration of

national lands had yet been made by SEDATU that would affect our property rights. We appealed this dismissal, which was also rejected on the same procedural grounds. The matter is now before the national office of SEDATU for further consideration and we will continue to oppose the SEDATU process and the application for a declaration of national lands. While we believe that we hold proper title to the surface lands in question, if we are unable to maintain, or maintain access to, those surface rights, there could be material adverse impacts on the La Colorada mine's future mining operations.

We may also be subject to proceedings in our commercial relationships. From time to time, we may also experience disputes relating to past transactions or which are related to entities or operations previously owned by the Company. While we would, where available and appropriate to do so, defend against any such allegations, if we are unsuccessful in our defense of these claims, we may be subject to significant losses.

Each of these matters is subject to various uncertainties and it is possible that some of these matters may be resolved unfavourably against us. We establish provisions for matters that are probable and can be reasonably estimated. We also carry liability insurance coverage, however, such insurance does not cover all risks to which we might be exposed and in other cases, may only partially cover losses incurred by us. In addition, we may be involved in disputes with other parties in the future that may result in litigation, which could have a material adverse effect on our financial or operating position, cash flow and results of operations.

Climate Change

There is significant evidence of the effects of climate change on our planet and an intensifying focus on addressing these issues. The Company recognizes that climate change is a global challenge that may have both favorable and adverse effects on our business in a range of possible ways. Mining and processing operations are energy intensive and result in a carbon footprint either directly or through the purchase of fossil-fuel based electricity. As such, the Company is impacted by current and emerging policy and regulation relating to greenhouse gas emission levels, energy efficiency, and reporting of climate change related risks. While some of the costs associated with reducing emissions may be offset by increased energy efficiency, technological innovation, or the increased demand for our metals as part of technological innovations, the current regulatory trend may result in additional transition costs at some of our operations. Governments are introducing climate change legislation and treaties at the international, national, and local levels, and regulations relating to emission levels and energy efficiency are evolving and becoming more rigorous. Current laws and regulatory requirements are not consistent across the jurisdictions in which we operate, and regulatory uncertainty is likely to result in additional complexity and cost in our compliance efforts. Public perception of mining is, in some respects, negative and there is increasing pressure to curtail mining in many jurisdictions as a result, in part, of perceived adverse effects of mining on the environment.

Concerns around climate change may also affect the market price of our shares as institutional investors and others may divest interests in industries that are thought to have more environmental impacts. While we are committed to operating responsibly and reducing the negative effects of our operations on the environment, our ability to reduce emissions, energy and water usage by increasing efficiency and by adopting new innovation is constrained by technological advancement, operational factors and economics. Adoption of new technologies, the use of renewable energy, and infrastructure and operational changes necessary to reduce water usage may also increase our costs significantly. Concerns over climate change, and our ability to respond to regulatory requirements and societal expectations, may have significant impacts on our operations and on our reputation, and may even result in reduced demand for our products.

The physical risks of climate change could also adversely impact our operations. These risks include, among other things, extreme weather events, resource shortages, changes in rainfall and in storm patterns and intensities, water shortages, changing sea levels and extreme temperatures. Climate-related events such as mudslides, floods, droughts and fires can have significant impacts, directly and indirectly, on our operations and could result in damage to our facilities, disruptions in accessing our sites with labour and essential materials or in shipping products from our mines, risks to the safety and security of our personnel and to communities, shortages of required supplies such as fuel and chemicals, inability to source enough water to supply our operations, and the

temporary or permanent cessation of one or more of our operations. There is no assurance that we will be able to successfully anticipate, respond to, or manage the risks associated with physical climate change events and impacts, and this may result in material adverse consequences to our business and to our financial results.

There are increasing legal and regulatory requirements with respect to climate change and sustainability disclosure, including the European Union Commission Directive on Corporate Sustainability Reporting (“CSRD”). The CSRD will result in a significant increase in the number of companies subject to the European Union sustainability reporting requirements and will require double materiality assessments, the setting of sustainability targets, requiring a significant increase in the amount of information to be disclosed, including containing forward-looking and retrospective information, an increased scope of value chain reporting, and mandatory assurance. The CSRD is likely to impact one or more of our operation’s holding companies.

In addition, in June 2024, Bill C-59 became law and amended Canada’s Competition Act to introduce anti-greenwashing provisions that aim to enhance the accountability of businesses making net-zero and carbon reduction commitments, and other environmental and social claims. Reviewable conduct now includes unsubstantiated claims made to the public about the benefits of a product, business, or business activity related to protecting or restoring the environment, or mitigating the environmental, ecological, and social causes or effects of climate change. This legislation provides further powers to the Commissioner of Competition to conduct both criminal and civil investigations into false, misleading or unsubstantiated environmental or social claims and may result in unlimited fines and even prison sentences. In addition, this legislation provides rights to private parties to file complaints and bring civil actions against companies for damages, including obtaining protective orders.

MATERIAL ACCOUNTING POLICY INFORMATION, STANDARDS AND JUDGEMENTS

In preparing financial statements in accordance with IFRS Accounting Standards, management is required to make estimates and assumptions that affect the amounts reported in the 2024 Annual Financial Statements. These critical accounting estimates represent management estimates and judgements that are uncertain, and any changes in these could materially impact the Company’s financial statements. Management continuously reviews its estimates, judgements and assumptions using the most current information available. The significant judgements and key sources of estimation uncertainty in the application of accounting policies are described in Note 5 and Note 6 of the 2024 Annual Financial Statements, respectively.

Readers should also refer to Note 3 of the 2024 Annual Financial Statements, for the Company’s summary of significant accounting policies.

Changes in Accounting Standards

New and amended IFRS Accounting Standards that are effective for the current period

Classification of Liabilities as Current or Non-Current (Amendments to IAS 1)

Effective January 1, 2024, the Company implemented Amendments to IAS 1 which provides clarification on the presentation of liabilities. The classification of liabilities as current or non-current is based on contractual rights that are in existence at the end of the reporting period and is affected by expectations about whether an entity will exercise its right to defer settlement. A liability not due over the next twelve months is classified as non-current even if management intends or expects to settle the liability within twelve months. The amendment also introduces a definition of ‘settlement’ to make clear that settlement refers to the transfer of cash, equity instruments, other assets, or services to the counterparty. The amendments also clarify how conditions with which an entity must comply within twelve months after the reporting period affect the classification of a liability. Covenants to be complied with after the reporting date do not affect the classification of debt as current or non-current at the reporting date. The implementation of this amendment did not have a material impact on the Company.

New and amended IFRS accounting standards not yet effective in the current period

Certain new accounting standards and interpretations have been published that are not mandatory for the current period and have not been early adopted.

IFRS 18 - Presentation and Disclosure in Financial Statements

In April 2024, IFRS 18 Presentation and Disclosure in Financial Statements was released. IFRS 18 replaces IAS 1 Presentation of Financial Statements while carrying forward many of the requirements in IAS 1. IFRS 18 introduces new requirements to: i) present specified categories and defined subtotals in the statement of earnings, ii) provide disclosures on management-defined performance measures ("MPMs") in the notes to the financial statements, iii) improve aggregation and disaggregation. Some of the requirements in IAS 1 are moved to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors and IFRS 7 Financial Instruments: Disclosures. The IASB also made minor amendments to IAS 7 Statement of Cash Flows and IAS 33 Earnings per Share in connection with the new standard. IFRS 18 requires retrospective application with specific transition provisions. The Company is required to apply IFRS 18 for annual reporting periods beginning on or after January 1, 2027 with early adoption permitted. The Company is currently evaluating the impact of IFRS 18 on its financial statements.

Lack of Exchangeability (Amendments to IAS 21)

The amendments contain guidance to specify when a currency is exchangeable and how to determine the exchange rate when it is not. The amendments are effective for annual reporting periods beginning on or after January 1, 2025. The Company is currently evaluating the impact of this amendment.

Future changes in accounting standards

Certain new accounting standards and interpretations have been published that are not mandatory for the current period and have not been early adopted. Management is still evaluating and does not expect any such pronouncements to have a material impact on the Company's consolidated financial statements upon adoption.

Significant judgements

In preparing financial statements in accordance with IFRS Accounting Standards, Management is required to make estimates and assumptions that affect the amounts reported in the 2024 Annual Financial Statements. These critical accounting estimates represent Management's estimates and judgements that are uncertain and any changes in these could materially impact the Company's financial statements. Management continuously reviews its estimates, judgements, and assumptions using the most current information available.

Readers should also refer to Note 3 of the 2024 Annual Financial Statements, for the Company's summary of material accounting policy information and Note 5 of the 2024 Annual Financial Statements that summarizes the significant judgments in applying accounting policies.

RELATED PARTY TRANSACTIONS

The Company's related parties include its subsidiaries, associates over which it exercises significant influence and key management personnel. Transactions with the Company's subsidiaries have been eliminated on consolidation. There were no other related party transactions for the years ended December 31, 2024 and 2023. Refer to Note 31 of the 2024 Annual Financial Statements for additional information.

DISCLOSURE AND INTERNAL CONTROL PROCEDURES

Management considers the meaning of internal control to be the processes established by Management to provide reasonable assurance about the achievement of the Company's objectives regarding operations, reporting and compliance. Internal control is designed to address identified risks that threaten any of these objectives.

Disclosure controls and procedures (“DC&P”)

Our Chief Executive Officer (“CEO”) and Chief Financial Officer (“CFO”) are responsible for establishing and maintaining adequate DC&P. Under the supervision and with the participation of our CEO and CFO, we evaluated the effectiveness of the design and operation of our DC&P in accordance with requirements of National Instrument 52-109 of the Canadian Securities Commission (“NI 52-109”) and the Sarbanes Oxley Act of 2002 (as adopted by the “SEC”).

As of December 31, 2024, based on the evaluation, our CEO and CFO concluded that our DC&P were effective to ensure that information required to be disclosed by us in reports we file or submit is recorded, processed, summarized and reported within the time periods specified in securities legislation and is accumulated and communicated to our management, including our CEO and CFO.

Internal control over financial reporting (“ICFR”)

Management is responsible for establishing and maintaining adequate ICFR. Management evaluated the effectiveness of the Company's ICFR as of December 31, 2024 based upon the Internal Control - Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on the evaluation, Management concluded that the Company's ICFR was effective as of December 31, 2024. Management reviewed the results of its evaluation with the Audit Committee of the Board of Directors.

The effectiveness of the Company's ICFR as of December 31, 2024 has been audited by Deloitte LLP, Independent Registered Public Accounting Firm, as stated in their report immediately preceding the Company's 2024 Annual Financial Statements.

Changes in ICFR

There has been no change in the Company's ICFR during the three months and twelve months ended December 31, 2024 that have materially affected, or are reasonably likely to materially affect, its ICFR.

Inherent limitations of controls and procedures

All internal control systems, no matter how well designed, have inherent limitations. As a result, even systems determined to be effective may not prevent or detect misstatements on a timely basis, as systems can provide only reasonable assurance that the objectives of the control system are met. In addition, projections of any evaluation of the effectiveness of ICFR to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may change.

TECHNICAL INFORMATION

Scientific and technical information contained in this MD&A has been reviewed and approved by Martin Wafforn, P.Eng., Senior Vice President Technical Services and Processing Optimization, and Christopher Emerson, FAusIMM, Vice President Exploration and Geology, each of whom are Qualified Persons, as the term is defined in National Instrument 43-101 – Standards of Disclosure for Mineral Projects (“NI 43-101”).

For more detailed information regarding Pan American's material mineral properties, please refer to Pan American's most recently filed Annual Information Form at www.sedarplus.ca, or Pan American's most recent Form 40-F filed with the SEC.

MINERAL RESERVES AND MINERAL RESOURCES

Pan American Silver Corporation Mineral Reserves as of June 30, 2024⁽¹⁾⁽²⁾

Property	Location	Classification	Tonnes (Mt)	Ag (g/t)	Contained Ag (Moz)	Au (g/t)	Contained Au (koz)	Cu (%)	Pb (%)	Zn (%)
Silver Segment										
Huaron	Peru	Proven	6.2	173	34.4			0.48	1.75	3.25
		Probable	3.5	163	18.2			0.41	1.86	3.19
La Colorada	Mexico	Proven	3.2	305	31.4	0.20	20.5		1.31	2.28
		Probable	5.8	296	55.2	0.19	35.3		1.10	1.88
San Vicente (95%) ⁽³⁾	Bolivia	Proven	0.9	329	9.8			0.32	0.30	3.75
		Probable	0.5	250	4.3			0.24	0.23	3.31
Escobal	Guatemala	Proven	2.5	486	39.5	0.42	34.2		1.02	1.75
		Probable	22.1	316	225.0	0.34	243.8		0.77	1.25
Cerro Moro	Argentina	Proven	0.4	272	3.9	5.58	80.4			
		Probable	0.6	200	3.6	9.31	165.5			
Total Silver Segment ⁽⁴⁾			45.8	289	425.2	0.52	579.7	0.43	1.07	1.93
Dolores	Mexico	Proven	1.2	16	0.6	0.35	13.3			
		Probable	—	—	—	—	—			
Shahuindo	Peru	Proven	39.8	8	10.5	0.52	660.4			
		Probable	44.7	5	7.2	0.28	398.6			
Timmins	Canada	Proven	5.4			2.79	481.4			
		Probable	4.4			2.74	386.2			
Jacobina	Brazil	Proven	24.0			1.84	1,420.0			
		Probable	30.3			1.79	1,742.3			
El Peñon	Chile	Proven	0.8	208	5.5	5.46	145.4			
		Probable	4.0	131	16.7	3.99	507.4			
Minera Florida	Chile	Proven	1.2	23	0.9	3.25	128.7			1.11
		Probable	1.8	22	1.3	3.18	188.0			0.91
Total Gold Segment ⁽⁴⁾			157.5	14	42.7	1.2	6,071.6			0.99
Total Gold and Silver Segments ⁽⁴⁾		Proven + Probable	203.3	105	468.0	1.08	6,651.3	0.43	1.07	1.87

(1) See table below entitled “Metal price assumptions used to estimate mineral reserves and resources as at June 30, 2024”.

(2) Tables have been updated to reflect the completion of the sale on December 2, 2024, of Pan American's interest in La Arena, which owned the La Arena gold mine and the La Arena II copper-gold project.

(3) This information represents the portion of mineral reserves attributable to Pan American based on its ownership interest in the operating entity as indicated.

(4) Totals may not add up due to rounding. Total average grades of each metal are with respect to those mines that produce the metal.

Pan American Silver Corporation Measured and Indicated Mineral Resources as of June 30, 2024⁽¹⁾⁽²⁾⁽³⁾

Property	Location	Classification	Tonnes (Mt)	Ag (g/t)	Contained Ag (Moz)	Au (g/t)	Contained Au (koz)	Cu (%)	Pb (%)	Zn (%)
Huaron	Peru	Measured	1.3	196	8.3			0.62	1.73	3.23
		Indicated	1.8	162	9.4			0.26	1.76	3.29
La Colorada	Peru	Measured	0.4	231	2.7	0.11	1.2		0.85	1.20
		Indicated	2.1	181	12.2	0.27	18.4		0.60	1.02
La Colorada Skarn	Mexico	Indicated	265.4	36	308.7				1.37	2.85
Manantial Espejo ⁽⁴⁾	Argentina	Measured	0.3	164	1.7	2.40	24.7			
		Indicated	1.0	149	4.9	2.79	91.5			
San Vicente (95%) ⁽⁵⁾	Bolivia	Measured	0.7	180	4.1			0.21	0.22	2.55
		Indicated	0.3	203	1.8			0.21	0.23	2.88
Navidad	Argentina	Measured	15.4	137	67.8			0.10	1.44	
		Indicated	139.8	126	564.5			0.04	0.79	
Escobal	Guatemala	Measured	2.3	251	18.6	0.23	16.7		0.31	0.59
		Indicated	14.2	201	91.6	0.20	93.0		0.38	0.66
Cerro Moro	Argentina	Measured	0.1	226	0.9	5.48	21.4			
		Indicated	0.5	347	5.5	4.50	70.7			
Total Silver Segment ⁽⁶⁾			445.6	77	1,102.7	0.50	337.6	0.05	1.15	2.71
Dolores	Mexico	Measured	3.0	30	2.9	0.41	39.4			
		Indicated	0.6	73	1.5	1.4	28.8			
La Bolsa	Mexico	Measured	10.8	10	3.5	0.7	242.8			
		Indicated	10.6	8	2.7	0.54	184.3			
Pico Machay	Peru	Measured	4.7			0.91	137.5			
		Indicated	5.9			0.67	127.1			
Shahuindo	Peru	Measured	8.8	7	2.0	0.38	108.5			
		Indicated	6.8	6	1.2	0.34	74.2			
Timmins	Canada	Measured	1.1			2.48	85.5			
		Indicated	1.3			2.76	114.2			
Jacobina	Brazil	Measured	39.7			1.7	2175.1			
		Indicated	55.1			1.58	2796			
El Peñon	Chile	Measured	1.6	166	8.3	5.25	262.2			
		Indicated	3.8	112	13.8	3.44	423.1			
Minera Florida	Chile	Measured	1.9	17	1.1	3.26	202.6			1.30
		Indicated	4.1	19	2.5	3.54	467.6			1.08
La Pepa (80%) ⁽⁵⁾	Chile	Measured	47.1			0.61	922.8			
		Indicated	52.3			0.49	824.3			
Lavra Velha	Brazil	Indicated	4.5			1.96	282.1			
Whitney(82.8%) ⁽⁵⁾	Canada	Indicated	0.6			3.77	77.9			
Gold River	Canada	Indicated	0.7			5.29	117.4			
Marlhill	Canada	Indicated	0.4			4.52	57.4			
Vogel	Canada	Indicated	2.2			1.75	125.0			
Total Gold Segment ⁽⁶⁾			267.7	24	39.6	1.15	9,875.9	—	—	1.15
Total Gold and Silver Segments ⁽⁶⁾		Measured + Indicated	713.2	71	1,142.2	1.10	10,213.5	0.05	1.15	2.68

(1) See table below entitled "Metal price assumptions used to estimate mineral reserves and resources as at June 30, 2024".

(2) Mineral resources are reported exclusive of mineral reserves.

(3) Tables have been updated to reflect: the completion of the sale of Joaquin on October 10, 2024; and the completion of the sale on December 2, 2024, of Pan American's interest in La Arena, which owned the La Arena gold mine and the La Arena II copper-gold project.

(4) Manantial Espejo was placed on care and maintenance in January 2023.

(5) This information represents the portion of mineral resources attributable to Pan American based on its ownership interest in the operating entity as indicated.

(6) Totals may not add up due to rounding. Total average grades of each metal are with respect to those mines that produce the metal.

Pan American Silver Corporation Inferred Mineral Resources as of June 30, 2024⁽¹⁾⁽²⁾⁽³⁾

Property	Location	Classification	Tonnes (Mt)	Ag (g/t)	Contained Ag (Moz)	Au (g/t)	Contained Au (koz)	Cu (%)	Pb (%)	Zn (%)
Silver Segment										
Huaron	Peru	Inferred	5.2	165	27.5			0.33	1.73	3.07
La Colorada	Mexico	Inferred	12.4	235	93.8	0.19	74.4		1.68	2.95
La Colorada Skarn	Mexico	Inferred	61.7	30	58.6				0.95	2.55
Manantial Espejo ⁽⁵⁾	Argentina	Inferred	0.5	106	1.8	1.49	25.2			
San Vicente (95%) ⁽⁴⁾	Bolivia	Inferred	1.6	213	11.0			0.23	0.25	2.37
Cerro Moro	Argentina	Inferred	0.7	168	3.6	6.98	149.8			
Navidad	Argentina	Inferred	45.9	81	119.4			0.02	0.57	
Escobal	Guatemala	Inferred	1.9	180	10.7	0.90	53.7		0.22	0.42
Total Silver Segment⁽⁶⁾			129.8	78	326.5	0.61	303.1	0.06	0.90	2.59
Gold Segment										
Dolores	Mexico	Inferred	0.9	56	1.6	1.65	45.8			
La Bolsa	Mexico	Inferred	13.7	8	3.3	0.51	224.6			
Pico Machay	Peru	Inferred	23.9			0.58	445.7			
Shahuindo	Peru	Inferred	17.3	4	2.1	0.21	115.8			
Timmins	Canada	Inferred	3.5			3.37	382.5			
Jacobina	Brazil	Inferred	57.1			1.77	3,249.5			
El Peñon	Chile	Inferred	18.4	48	28.6	1.38	816.4			
Minera Florida	Chile	Inferred	5.4	15	2.7	3.03	531.2			0.80
Whitney (82.8%) ⁽⁴⁾	Canada	Inferred	4.0			3.75	477.7			
Arco Sul	Brazil	Inferred	6.2			3.08	614.2			
La Pepa (80%) ⁽⁴⁾	Chile	Inferred	20.0			0.46	296.1			
Lavra Velha	Brazil	Inferred	4.7			1.56	238.0			
Gold River	Canada	Inferred	5.3			6.06	1,027.4			
Vogel	Canada	Inferred	1.5			3.60	168.8			
Total Gold Segment⁽⁶⁾			181.9	21	38.2	1.48	8,633.7	—		0.80
Total Gold and Silver Segments⁽⁶⁾		Inferred	311.8	61	364.7	1.41	8,936.8	0.06	0.90	2.48

(1) See table below entitled "Metal price assumptions used to estimate mineral reserves and resources as at June 30, 2024".

(2) Mineral resources are reported exclusive of mineral reserves.

(3) Tables have been updated to reflect: the completion of the sale of Joaquin on October 10, 2024; and the completion of the sale on December 2, 2024, of Pan American's interest in La Arena, which owned the La Arena gold mine and the La Arena II copper-gold project.

(4) This information represents the portion of mineral resources attributable to Pan American based on its ownership interest in the operating entity as indicated.

(5) Manantial Espejo was placed on care and maintenance in January 2023.

(6) Totals may not add up due to rounding. Total average grades of each metal are with respect to those mines that produce the metal.

Metal Price Assumptions Used to Estimate Mineral Reserves and Mineral Resources as of June 30, 2024

Property	Category	Ag US\$/oz	Au US\$/oz	Cu US\$/t	Pb US\$/t	Zn US\$/t
Huaron	Reserves	20.00	1,700	8,000	2,100	2,600
	Resources	22.00	1,850	9,000	2,200	2,800
La Colorada	Reserves	20.00	1,700	8,000	2,100	2,600
	Resources	22.00	1,850	9,000	2,200	2,800
La Colorada Skarn	Resources	22.00			2,200	2,800
Dolores	Reserves	21.00	1,850			
	Resources	23.00	1,950			
La Bolsa	All categories	14.00	825			
Manantial Espejo	Resources	22.00	1,700			
San Vicente	All categories	20.00	1,700	8,000	2,100	2,600
Navidad	All categories	12.52			1,100	
	Resources	22.00	1,700			
Pico Machay	All categories		700			
Escobal	All categories	20.00	1,300		2,204	2,424
Shahuindo	Reserves	20.00	1,700			
	Resources	22.00	1,850			
Bell Creek	Reserves	21.00	1,850			
	Resources	23.00	1,950			
Timmins West	Reserves	21.00	1,850			
	Resources	23.00	1,950			
Whitney	Resources		1,950			
Gold River	Resources		1,200			
Marlhill	Resources		1,125			
Vogel	Inside pit		1,150			
	Below pit		1,150			
Jacobina	Reserves		1,700			
	Resources		1,850			
Cerro Moro	Reserves	21.00	1,850			
	Resources	23.00	1,950			
El Peñon	Reserves	20.00	1,700			
	Resources	22.00	1,850			
Minera Florida	Reserves	21.00	1,850			2,600
	Resources	23.00	1,950			2,800
Arco Sul	Resources		1,250			
La Pepa	Resources		1,650			
Lavra Velha	Resources		1,650			

General Notes Applicable to the Foregoing Tables:

Mineral reserves and resources are as defined by the Canadian Institute of Mining, Metallurgy and Petroleum.

Pan American reports mineral resources and mineral reserves separately. Reported mineral resources do not include amounts identified as mineral reserves. Mineral resources that are not mineral reserves have no demonstrated economic viability.

Pan American does not expect these mineral reserve and resource estimates to be materially affected by metallurgical, environmental, permitting, legal, taxation, socio-economic, political, and marketing or other relevant issues.

See the Company's Annual Information Form dated February 19, 2025, available at www.sedarplus.ca for further information on the Company's material mineral properties, including information concerning associated quality assurance/quality control and data verification matters, the key assumptions, parameters and methods used by the Company to estimate mineral reserves and mineral resources, and for a detailed description of known legal, political, environmental, and other risks that could materially affect the Company's business and the potential development of the Company's mineral reserves and resources. For a complete list of current technical reports for the Company's material properties, see the Company's filings on its profile at www.sedarplus.ca.

Quantities of contained metal are shown before metallurgical recoveries.

Cautionary Note Regarding Forward-Looking Statements and Information

Certain of the statements and information in this MD&A constitute “forward-looking statements” within the meaning of the United States Private Securities Litigation Reform Act of 1995 and “forward-looking information” within the meaning of applicable Canadian provincial securities laws relating to the Company and its operations. All statements, other than statements of historical fact, are forward-looking statements. When used in this MD&A, the words, “will”, “believes”, “expects”, “intends”, “plans”, “forecast”, “objective”, “guidance”, “outlook”, “potential”, “anticipated”, “budget”, and other similar words and expressions, identify forward-looking statements or information. These forward-looking statements or information relate to, among other things: future financial or operational performance and forecasts for 2025, including our estimated production of silver, gold and other metals forecasted, and for our estimated Cash Costs, AISC, capital and exploration, mine operation, general and administrative, care and maintenance expenditures; future anticipated prices for gold, silver and other metals and assumed foreign exchange rates; the payment of any future dividends; the duration and effect of the suspensions of operations of the Escobal mine, as well as the nature of and continuation of the constitutional court-mandated ILO 169 consultation process in Guatemala, and the timing and, if applicable, completion thereof; the ability of Pan American to successfully complete any capital projects, the expected economic or operational results derived from those projects, and the impacts of any such projects on Pan American; the outcome of the SEDATU process and the application for a declaration of national lands at the La Colorada mine in Mexico; the impact of the changes to Mexican mining law to our current and future exploration activities and operations in Mexico; the future results of our exploration activities, including with respect to the La Colorada Skarn project; the anticipated completion of a study related to Jacobina, and any anticipated benefits to be derived from the study; expectations regarding higher development rates at La Colorada in 2025 relative to 2024; the expected costs of running operations at Dolores in the post-mining period; the timing of full-operation of the filter-stack tailings storage facility at Huaron; increased ground stability and mineral resource recovery at Timmins due to the construction of the paste backfill plant; the materiality of various claims, legal proceedings and contractual indemnities assumed under the Yamana Acquisition; possible future payment delinquencies from our metal sales counterparties; the reduction in AISC per ounce due to the new ventilation infrastructure at La Colorada; anticipated mineral reserves and mineral resources; the costs associated with the Company's decommissioning obligations; the Company's plans and expectations for its properties and operations.

These forward-looking statements and information reflect the Company's current views with respect to future events and are necessarily based upon a number of assumptions and estimates that, while considered reasonable by the Company, are inherently subject to significant operational, business, economic, competitive, political, regulatory, and social uncertainties and contingencies. These assumptions, some of which are described in the “Risks and Uncertainties” section of this MD&A, include: the impact of inflation and disruptions to the global, regional and local supply chains; the potential imposition and impact of tariffs and other trade barriers and restrictions, that could impact the financial results of the Company; tonnage of ore to be mined and processed; future anticipated prices for gold, silver and other metals and assumed foreign exchange rates; the timing and impact of planned capital expenditure projects, including anticipated sustaining, project, and exploration expenditures; the ongoing impact and timing of: the court-mandated ILO 169 consultation process in Guatemala, the SEDATU process in Mexico, and the changes to Mexican mining law; ore grades and recoveries; capital, decommissioning and reclamation estimates; our mineral reserve and mineral resource estimates and the assumptions upon which they are based; whether Pan American is able to maintain a strong financial condition and have sufficient capital, or have access to capital through the SL-Credit Facility or otherwise, to sustain our business and operations; prices for energy inputs, labour, materials, supplies and services (including transportation); positive credit ratings; no labour-related disruptions at any of our operations; no unplanned delays or interruptions in scheduled production; all necessary permits, licenses and regulatory approvals for our operations are received in a timely manner; our ability to secure and maintain title and ownership to mineral properties and the surface rights necessary for our operations, including contractual rights from third parties and adjacent property owners; and our ability to comply with environmental, health and safety laws. The foregoing list of assumptions is not exhaustive.

The Company cautions the reader that forward-looking statements and information involve known and unknown risks, uncertainties and other factors that may cause actual results and developments to differ materially from those expressed or implied by such forward-looking statements or information contained in this MD&A and the Company has made assumptions and estimates based on or related to many of these factors. Such factors include, without limitation: fluctuations in silver, gold, and base metal prices; fluctuations in prices for energy inputs; fluctuations in currency markets (such as the PEN, MXN, ARS, BOB, GTQ and CAD versus the USD); fluctuations in market interest rates; risks related to the technological and operational nature of the Company's business; risks related to increased barriers to trade, including tariffs and duties; changes in national and local government, legislation, taxation, controls or regulations and political, judicial, legal or economic developments in Canada, the United States, Mexico, Peru, Argentina, Bolivia, Guatemala or other countries where the Company may carry on business, some of which might prevent or cause the suspension or discontinuation of mining activities, including the risk of expropriation related to certain of our operations, and risks related to: the constitutional court-mandated ILO 169 consultation process in Guatemala, the SEDATU process in Mexico, and the changes to Mexican mining law; risks and hazards associated with the business of mineral exploration, development and mining (including environmental hazards, industrial accidents, unusual or unexpected geological or structural formations, pressures, cave-ins and flooding); risks related to climate change; risks relating to the credit worthiness or financial condition of suppliers, refiners and other parties with whom the Company does business; inadequate insurance, or inability to obtain insurance, to cover these risks and hazards; employee relations; relationships with and claims by the local communities and indigenous populations; availability and increasing costs associated with mining inputs and labour; the Company's ability to secure our mine sites or maintain access to our mine sites due to criminal activity, violence, or civil and labour unrest; the speculative nature of mineral exploration and development, including the risk of obtaining or retaining necessary licenses and permits; challenges to, or difficulty in maintaining, the Company's title to properties and continued ownership thereof; unanticipated or excessive tax assessments or

reassessments in our operating jurisdictions; diminishing quantities or grades of mineral reserves as properties are mined; global financial and geopolitical conditions; the actual results of current exploration activities, conclusions of economic evaluations, and changes in project parameters to deal with unanticipated economic or other factors; increased competition in the mining industry for properties, equipment, qualified personnel, and their costs; having sufficient cash to pay obligations as they come due; and those factors identified under the caption “Risks Related to Our Business” in the Company’s most recent Form 40-F and Annual Information Form filed with the United States Securities and Exchange Commission and Canadian provincial securities regulatory authorities, respectively. Although the Company has attempted to identify important factors that could cause actual results to differ materially, there may be other factors that cause results not to be as anticipated, estimated, described, or intended. Investors are cautioned against attributing undue certainty or reliance on forward-looking statements or information. Forward-looking statements and information are designed to help readers understand management’s current views of our near- and longer-term prospects and may not be appropriate for other purposes. The Company does not intend, and does not assume any obligation, to update or revise forward-looking statements or information to reflect changes in assumptions or in circumstances or any other events affecting such statements or information, other than as required by applicable law.

Cautionary Note to US Investors Regarding References to Mineral Reserves and Mineral Resources

Unless otherwise indicated, all reserve and resource estimates included in this MD&A have been prepared in accordance with NI 43-101 and the Canadian Institute of Mining, Metallurgy and Petroleum (the “CIM”) — CIM Definition Standards on Mineral Resources and Mineral Reserves, adopted by the CIM Council, as amended (the “CIM Standards”). NI 43-101 is a rule developed by the Canadian Securities Administrators that establishes standards for all public disclosure an issuer makes of scientific and technical information concerning mineral projects. Canadian standards, including NI 43-101, differ significantly from the requirements of the United States Securities and Exchange Commission (the “SEC”), and reserve and resource information included herein may not be comparable to similar information disclosed by U.S. companies. In particular, and without limiting the generality of the foregoing, this MD&A uses the terms “measured resources,” “indicated resources” and “inferred resources” as defined in accordance with NI 43-101 and the CIM Standards. Mineralization described using these terms has a greater amount of uncertainty as to its existence and feasibility than mineralization that has been characterized as reserves. Accordingly, U.S. investors are cautioned not to assume that any measured mineral resources, indicated mineral resources, or inferred mineral resources that the Company reports are or will be economically or legally mineable. Further, “inferred mineral resources” have a greater amount of uncertainty as to their existence and as to whether they can be mined legally or economically. Under Canadian securities laws, estimates of “inferred mineral resources” may not form the basis of feasibility or pre-feasibility studies, except in rare cases. While the above terms under the U.S. Rules are “substantially similar” to the standards under NI 43-101 and CIM Standards, there are differences in the definitions under the U.S. Rules and CIM Standards. Accordingly, there is no assurance any mineral reserves or mineral resources that the Company may report as “proven mineral reserves”, “probable mineral reserves”, “measured mineral resources”, “indicated mineral resources” and “inferred mineral resources” under NI 43-101 would be the same had the Company prepared the reserve or resource estimates under the standards adopted under the U.S. Rules.



PAN AMERICAN
— SILVER —

Consolidated Financial Statements and Notes

FOR THE YEARS ENDED DECEMBER 31, 2024 AND DECEMBER 31, 2023

Management's Responsibility For Financial Reporting

The accompanying Consolidated Financial Statements of Pan American Silver Corp. ("Pan American" or the "Company") have been prepared by and are the responsibility of management and have been approved by the Board of Directors (the "Board").

These Consolidated Financial Statements were prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards") and include managements best estimates and judgements. Pan American has developed and maintains a system of internal controls designed to ensure the reliability of its financial information.

Deloitte LLP, an Independent Registered Public Accounting Firm, has audited these Consolidated Financial Statements. Their report outlines the scope of their examination and opinion on the Consolidated Financial Statements.

"signed"

Michael Steinmann
Chief Executive Officer

"signed"

Ignacio Couturier
Chief Financial Officer

February 19, 2025

Management's Report on Internal Control over Financial Reporting

Management of Pan American is responsible for establishing and maintaining adequate internal control over financial reporting ("ICFR") and for its assessment of the effectiveness of ICFR.

Pan American's management assessed the effectiveness of the Company's ICFR as of December 31, 2024, in accordance with the criteria established in Internal Control – Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on this assessment, management concluded that, as of December 31, 2024, Pan American's ICFR was effective.

Deloitte LLP, an Independent Registered Public Accounting Firm, has audited the Company's Consolidated Financial Statements for the year ended December 31, 2024, and as stated in the Report of Independent Registered Public Accounting Firm, they have expressed an unqualified opinion on the effectiveness of the Company's ICFR as of December 31, 2024.

Report of Independent Registered Public Accounting Firm

To the Shareholders and the Board of Directors of Pan American Silver Corp.

Opinion on the Financial Statements

We have audited the accompanying consolidated statements of financial position of Pan American Silver Corp. and subsidiaries (the "Company") as of December 31, 2024 and 2023, the related consolidated statements of earnings and comprehensive earnings, cash flows, and changes in equity, for each of the two years in the period ended December 31, 2024, and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2024 and 2023, and its financial performance and its cash flows for each of the two years in the period ended December 31, 2024, in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of December 31, 2024, based on criteria established in Internal Control - Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission and our report dated February 19, 2025, expressed an unqualified opinion on the Company's internal control over financial reporting.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current-period audit of the financial statements that was communicated or required to be communicated to the audit committee and that (1) relate to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Impairment - Assessment of Whether Indicators of Impairment or Impairment Reversal Exist within Mineral Properties, Plant and Equipment - Refer to Notes 3m and 5c to the financial statements

Critical Audit Matter Description

The Company's determination of whether or not an indicator of impairment or impairment reversal exists at the cash generating unit ("CGU") level requires significant management judgment. Changes in metal price forecasts or discount rates, increases or decreases in estimated future production costs or capital expenditures, reductions or increases in the amount of recoverable mineral reserves and resources and/or adverse or favorable political or

regulatory developments can result in a write-down or write-up of the carrying amounts of the Company's mineral properties, plant and equipment.

While there are several factors that are required to determine whether or not an indicator of impairment or impairment reversal exists, the judgments with the highest degree of subjectivity are future gold and silver prices, discount rates and the Company's ability or expected timing to restart the Escobal Mine. Auditing these estimates and factors required a high degree of subjectivity in applying audit procedures and in evaluating the results of those procedures. This resulted in an increased extent of audit effort, including the involvement of fair value specialists.

How the Critical Audit Matter Was Addressed in the Audit

Our audit procedures related to future gold and silver prices, discount rates and the Company's ability or expected timing to restart the Escobal mine considered in the assessment of indicators of impairment or impairment reversal included the following, among others:

- Evaluated the effectiveness of the Company's controls over management's assessment of indicators of impairment or impairment reversal.
- Performed independent research to assess if there have been any substantive local, political, or regulatory changes negatively impacting the ability or expected timing to restart the Escobal Mine.
- With the assistance of fair value specialists:
 - Evaluated future gold and silver prices by comparing management forecasts to third party forecasts; and
 - Evaluated the reasonableness of the changes in discount rates by testing the source information underlying the determination of the discount rates.

/s/ Deloitte LLP

Chartered Professional Accountants

Vancouver, Canada

February 19, 2025

We have served as the Company's auditor since 1993.

Report of Independent Registered Public Accounting Firm

To the Shareholders and the Board of Directors of Pan American Silver Corp.

Opinion on Internal Control over Financial Reporting

We have audited the internal control over financial reporting of Pan American Silver Corp. and subsidiaries (the "Company") as of December 31, 2024, based on criteria established in Internal Control - Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2024, based on criteria established in Internal Control - Integrated Framework (2013) issued by COSO.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated financial statements as of and for the year ended December 31, 2024, of the Company and our report dated February 19, 2025, expressed an unqualified opinion on those financial statements.

Basis for Opinion

The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's Report on Internal Control over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ Deloitte LLP
Chartered Professional Accountants
Vancouver, Canada
February 19, 2025

	December 31, 2024	December 31, 2023
Assets		
Current assets		
Cash and cash equivalents (Note 27)	\$ 862.8	\$ 399.6
Investments (Note 11)	24.5	41.3
Trade and other receivables	165.2	138.0
Income tax receivables	30.6	62.9
Inventories (Note 12)	605.7	711.6
Other assets (Note 13)	31.6	36.6
	1,720.4	1,390.0
Non-current assets		
Mineral properties, plant and equipment (Note 14)	5,325.1	5,675.1
Long-term inventories (Note 12)	29.4	27.8
Long-term tax receivables	11.1	14.7
Deferred tax assets (Note 29)	44.5	80.4
Other long-term assets (Note 16)	72.2	25.1
Total assets	\$ 7,202.7	\$ 7,213.1
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities (Note 17)	\$ 489.4	\$ 498.0
Derivative liabilities (Note 10)	12.8	0.1
Provisions (Note 18)	35.3	41.6
Lease obligations (Note 19)	40.6	45.7
Debt (Note 20)	6.8	6.7
Income tax payables	102.1	32.1
	687.0	624.2
Non-current liabilities		
Long-term provisions (Note 18)	427.1	432.4
Long-term lease obligations (Note 19)	53.9	52.2
Long-term debt (Note 20)	702.0	697.0
Other long-term liabilities (Note 21)	94.4	93.2
Deferred tax liabilities (Note 29)	521.7	541.6
Total liabilities	\$ 2,486.1	\$ 2,440.6
Equity (Note 22)		
Issued capital	5,939.7	5,966.5
Share option reserve	94.2	94.0
Investment revaluation reserve	(30.9)	(30.3)
Deficit	(1,299.5)	(1,269.5)
Total equity attributable to Company shareholders	4,703.5	4,760.7
Non-controlling interests	13.1	11.8
Total equity	4,716.6	4,772.5
Total liabilities and equity	\$ 7,202.7	\$ 7,213.1

Commitments (Note 10(f)); Contingencies (Note 30))
 See accompanying notes to the Consolidated Financial Statements
 APPROVED BY THE BOARD ON FEBRUARY 19, 2025

"signed" Gillian Winckler, Director

"signed" Michael Steinmann, Director

	2024	2023
Revenue (Note 28)	\$ 2,818.9	\$ 2,316.1
Cost of sales (Note 28)		
Production costs (Note 23)	(1,633.8)	(1,479.2)
Depreciation and amortization (Note 14)	(571.7)	(484.2)
Royalties	(64.9)	(55.9)
	(2,270.4)	(2,019.3)
Mine operating earnings (Note 28)	548.5	296.8
General and administrative	(69.8)	(61.4)
Exploration and project development	(10.1)	(14.6)
Mine care and maintenance (Note 24)	(32.3)	(81.0)
Foreign exchange gains	38.2	8.9
Impairment charges (Note 15)	—	(78.6)
Derivative (losses) gains (Note 10(d))	(25.1)	8.3
Mineral properties, plant and equipment (losses) gains (Note 14)	(1.4)	1.2
Gains from sale of subsidiaries (Note 9)	137.4	6.7
Transaction and integration costs (Note 8)	—	(25.3)
Change in mine reclamation obligations (Note 18)	(53.7)	(15.7)
Other expense	(1.0)	(7.2)
Earnings from operations	530.7	38.1
Investment loss (Note 10(b))	(14.3)	(5.5)
Interest and finance expense (Note 25)	(84.7)	(91.4)
Earnings (loss) before income taxes	431.7	(58.8)
Income tax expense (Note 29)	(319.0)	(46.1)
Net earnings (loss)	\$ 112.7	\$ (104.9)
Net earnings (loss) attributable to:		
Equity holders of the Company	111.5	(103.7)
Non-controlling interests	1.2	(1.2)
	\$ 112.7	\$ (104.9)
Other comprehensive earnings (loss), net of taxes		
Items that will not be reclassified to net earnings (loss)		
Remeasurement of retirement benefit plan	(0.2)	(2.6)
Unrealized loss on long-term investment (Note 10(c))	(0.4)	(24.2)
Income tax expense related to long-term investments (Note 29)	—	(0.5)
Total other comprehensive loss	\$ (0.6)	\$ (27.3)
Total comprehensive earnings (loss)	\$ 112.1	\$ (132.2)
Total comprehensive earnings (loss) attributable to:		
Equity holders of the Company	110.9	(131.0)
Non-controlling interests	1.2	(1.2)
	\$ 112.1	\$ (132.2)
Earnings (loss) per share attributable to common shareholders (Note 26)		
Basic earnings (loss) per share	\$ 0.31	\$ (0.32)
Diluted earnings (loss) per share	\$ 0.31	\$ (0.32)
Weighted average shares outstanding Basic	363,361	326,540
Weighted average shares outstanding Diluted	363,401	326,540

See accompanying notes to the Consolidated Financial Statements.

	2024	2023
Operating activities		
Net earnings (loss)	\$ 112.7	\$ (104.9)
Income tax expense (Note 29)	319.0	46.1
Depreciation and amortization (Note 14)	571.7	484.2
Impairment charges (Note 15)	—	78.6
Net realizable value inventory charge (recovery) (Note 12, 23)	20.6	(31.8)
Gains from sale of subsidiaries (Note 9)	(137.4)	(6.7)
Accretion on closure and decommissioning provision (Note 18, 25)	31.3	34.2
Change in mine reclamation obligations (Note 18)	53.7	15.7
Investment loss (Note 10(b))	14.3	5.5
Interest paid	(37.3)	(45.1)
Interest expense (Note 25)	47.6	51.4
Interest received	13.9	17.2
Income taxes paid	(163.8)	(149.4)
Other operating activities (Note 27)	5.6	2.0
Net change in non-cash working capital items (Note 27)	(127.8)	53.2
	\$ 724.1	\$ 450.2
Investing activities		
Payments for mineral properties, plant and equipment	\$ (323.3)	\$ (379.0)
Cash acquired from Yamana Gold Inc. (Note 8)	—	259.5
Cash disposed in sale of subsidiaries (Note 9)	(16.2)	(194.1)
Cash proceeds from sale of subsidiaries (Note 9)	306.6	549.1
Proceeds from disposition of mineral properties, plant and equipment	3.8	3.8
Proceeds from disposal of investments	2.0	144.8
Net (payments) proceeds from derivatives	(5.5)	13.8
	\$ (32.6)	\$ 397.9
Financing activities		
Proceeds from common shares issued	\$ 1.4	\$ —
Contribution from non-controlling interests	0.1	11.1
Dividends paid	(145.4)	(130.4)
Proceeds from debt (Note 20)	—	315.0
Repayment of debt (Note 20)	(6.7)	(703.5)
Shares repurchased under Normal Course Issuer Bid (Note 22(h))	(24.3)	—
Payment of equipment leases	(50.3)	(44.0)
	\$ (225.2)	\$ (551.8)
Effects of exchange rate changes on cash and cash equivalents	(3.1)	(3.7)
Increase in cash and cash equivalents	463.2	292.6
Cash and cash equivalents at the beginning of the year	399.6	107.0
Cash and cash equivalents at the end of the year	\$ 862.8	\$ 399.6

Supplemental cash flow information (Note 27).

See accompanying notes to the Consolidated Financial Statements.

	Attributable to equity holders of the Company						Non-controlling interests	Total equity
	Issued shares	Issued capital	Share option reserve	Investment revaluation reserve	Deficit	Total		
Balance, December 31, 2022	210,681	\$ 3,140.0	\$ 93.3	\$ (3.0)	\$ (1,034.8)	\$ 2,195.5	\$ 6.1	\$ 2,201.6
Total comprehensive loss								
Net loss for the year	—	—	—	—	(103.7)	(103.7)	(1.2)	(104.9)
Other comprehensive loss	—	—	—	(27.3)	—	(27.3)	—	(27.3)
	—	—	—	(27.3)	(103.7)	(131.0)	(1.2)	(132.2)
Shares issued as compensation	221	3.5	—	—	—	3.5	—	3.5
The Acquisition (Note 8)	153,758	2,823.0	—	—	—	2,823.0	484.9	3,307.9
Dispositions (Note 9)	—	—	—	—	—	—	(489.7)	(489.7)
Share-based compensation on option grants	—	—	0.7	—	—	0.7	—	0.7
Contributions from (distributions to) non-controlling interests	—	—	—	—	(0.6)	(0.6)	11.7	11.1
Dividends paid	—	—	—	—	(130.4)	(130.4)	—	(130.4)
Balance, December 31, 2023	364,660	\$ 5,966.5	\$ 94.0	\$ (30.3)	\$ (1,269.5)	\$ 4,760.7	\$ 11.8	\$ 4,772.5
Total comprehensive earnings								
Net earnings for the period	—	—	—	—	111.5	111.5	1.2	112.7
Other comprehensive loss	—	—	—	(0.6)	—	(0.6)	—	(0.6)
	—	—	—	(0.6)	111.5	110.9	1.2	112.1
Shares issued on the exercise of stock options (Note 22(a))	101	1.9	(0.5)	—	—	1.4	—	1.4
Shares repurchased (Note 22(h))	(1,720)	(28.7)	—	—	3.9	(24.8)	—	(24.8)
Share-based compensation on option grants	—	—	0.7	—	—	0.7	—	0.7
Contributions from non-controlling interests	—	—	—	—	—	—	0.1	0.1
Dividends paid	—	—	—	—	(145.4)	(145.4)	—	(145.4)
Balance, December 31, 2024	363,041	\$ 5,939.7	\$ 94.2	\$ (30.9)	\$ (1,299.5)	\$ 4,703.5	\$ 13.1	\$ 4,716.6

See accompanying notes to the Consolidated Financial Statements.

1. NATURE OF OPERATIONS

Pan American Silver Corp. is the ultimate parent company of its subsidiary group (collectively, the “Company”, or “Pan American”). Pan American is a British Columbia corporation domiciled in Canada, and its office at December 31, 2024 was at Suite 2100 – 733 Seymour Street, Vancouver, British Columbia, V6B 0S6. The Company is listed on the Toronto Stock Exchange (Symbol: PAAS) (the “TSX”) and the New York Stock Exchange (Symbol: PAAS) (the “NYSE”). On April 18, 2023, the Company transferred the listing of its common shares from the NASDAQ to the NYSE.

Pan American engages in silver and gold mining and related activities, including exploration, mine development, extraction, processing, refining and reclamation. The Company owns and operates silver and gold mines located in Canada, Mexico, Peru, Bolivia, Argentina, Chile and Brazil. The Company also owns the Escobal mine in Guatemala that continues to be on care and maintenance pending satisfactory completion of a consultation process led by the Ministry of Energy and Mines in Guatemala. In addition, the Company is exploring for new silver and gold deposits, and opportunities throughout the Americas.

On December 2, 2024, the Company completed the disposition of its 100% interest in La Arena S.A. (“La Arena”), which owns the La Arena gold mine as well as the La Arena II project in Peru, to Zijin Mining Group Co., Ltd. (“Zijin”) (Note 9).

On March 31, 2023, the Company acquired Yamana Gold Inc. (“Yamana”) (Note 8). Yamana was a mid-tier publicly traded precious metals mining company with ownership interests in a diverse portfolio of mines and projects including the following principal mines: Jacobina in Brazil; El Peñon and Minera Florida in Chile; and Cerro Moro in Argentina (the “Acquired Mines”). Yamana's portfolio also included the MARA and Agua de la Falda projects in Argentina and Chile, which were subsequently divested on September 20, 2023 and November 6, 2023, respectively (Note 9).

2. BASIS OF PREPARATION

These Consolidated Financial Statements have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (“IFRS Accounting Standards”), effective as of December 31, 2024.

These Consolidated Financial Statements were approved for issuance by the Board of Directors on February 19, 2025.

3. MATERIAL ACCOUNTING POLICY INFORMATION

The accounting policies applied in the preparation of these audited Consolidated Financial Statements have been applied consistently for all periods presented except as outlined in Note 4. Material accounting policies used in the preparation of these Consolidated Financial Statements are as follows:

a) Functional and presentation currency

The functional and presentation currency of the Company and each of its subsidiaries is the United States dollar (“USD”).

b) Basis of measurement

These Consolidated Financial Statements have been prepared on a historical cost basis, except for those assets and liabilities that are measured at fair values at the end of each reporting period.

c) Basis of consolidation

The accounts of the Company and its subsidiaries, which are controlled by the Company, have been included in these Consolidated Financial Statements. Control is achieved when the Company is exposed, or has rights, to variable returns from the investee and when the Company has the ability to affect those returns through its power over the investee. Subsidiaries are included in the consolidated financial results of the Company from the effective date of acquisition up to the effective date of disposition or loss of control. The principal subsidiaries of the Company and their geographic locations at December 31, 2024 were as follows:

Location	Subsidiary	Ownership Interest	Operations and Development Projects Owned
Brazil	Jacobina Mineração e Comércio Ltda.	100%	Jacobina mine ⁽¹⁾
Canada	Lake Shore Gold Corp.	100%	Bell Creek and Timmins West mines (together "Timmins mine")
Chile	Minera Meridian Ltda.	100%	El Peñon mine ⁽¹⁾
	Minera Florida Ltda	100%	Minera Florida mine ⁽¹⁾
	Minera Cavanca SpA.	80%	La Pepa project ⁽¹⁾
Mexico	Plata Panamericana S.A. de C.V.	100%	La Colorada mine
	Compañía Minera Dolores S.A. de C.V.	100%	Dolores mine
Peru	Pan American Silver Huaron S.A.	100%	Huaron mine
	Shahuindo S.A.C.	100%	Shahuindo mine
Bolivia	Pan American Silver (Bolivia) S.A.	95%	San Vicente mine
Guatemala	Pan American Silver Guatemala S.A.	100%	Escobal mine
Argentina	Minera Tritón Argentina S.A.	100%	Manantial Espejo
	Estelar Resources S.A.	100%	Cerro Moro mine ⁽¹⁾
	Minera Argenta S.A.	100%	Navidad project

(1) Mines and projects from the Acquisition (Note 8).

d) Business combinations

Upon the acquisition of a business, the acquisition method of accounting is used, whereby the purchase consideration is allocated to the identifiable assets, liabilities and contingent liabilities (identifiable net assets) acquired on the basis of fair value at the date of acquisition. When the cost of the acquisition exceeds the fair value attributable to the Company's share of the identifiable net assets, the difference is treated as goodwill, which is not amortized and is reviewed for impairment annually or more frequently when there is an indication of impairment. If the fair value attributable to the Company's share of the identifiable net assets exceeds the cost of acquisition, the difference is immediately recognized in the Consolidated Statements of Earnings and Comprehensive Earnings ("SOE"). Acquisition related costs, other than costs to issue debt or equity securities of the acquirer, including investment banking fees, legal fees, accounting fees, valuation fees, and other professional fees are expensed as incurred. The costs to issue equity securities of the Company as consideration for the acquisition are reduced from share capital as share issuance costs. The costs to issue debt securities are capitalized and amortized using the effective interest method.

Non-controlling interests are measured either at fair value or at the non-controlling interests' proportionate share of the recognized amounts of the acquirers' identifiable net assets as at the date of acquisition. The choice of measurement basis is made on a transaction by transaction basis.

Control of a business may be achieved in stages. Upon the acquisition of control, any previously held interest is re-measured to fair value at the date control is obtained resulting in a gain or loss upon the acquisition of control.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Company reports provisional amounts for the items for which the accounting is incomplete. These provisional amounts are adjusted during the measurement period, or additional assets or liabilities are recognized, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognized at that date.

e) Revenue recognition

Revenue associated with the sale of commodities is recognized when control of the asset sold is transferred to the customer. Indicators of control transferring include an unconditional obligation to pay, legal title, physical possession, transfer of risk and rewards and customer acceptance. This generally occurs when the goods are delivered to a loading port, warehouse, vessel or metal account as contractually agreed with the buyer; at which point the buyer controls the goods. In cases where the Company is responsible for the cost of shipping and certain other services after the date on which control of the goods transfers to the customer, these other services are considered separate performance obligations and thus a portion of revenue earned under the contract is allocated and recognized as these performance obligations are satisfied.

The Company's concentrate sales contracts with third-party buyers, in general, provide for a provisional payment based upon provisional assays and quoted metal prices. Final settlement is based on applicable commodity prices set on specified quotational periods, typically ranging from one month prior to shipment, and can extend to three months after the shipment arrives at the smelter and is based on average market metal prices. For this purpose, the transaction price can be measured reliably for those products, such as silver, gold, zinc, lead and copper, for which there exists an active and freely traded commodity market such as the London Metals Exchange and the value of product sold by the Company is directly linked to the form in which it is traded on that market.

Sales revenue is commonly subject to adjustments based on an inspection of the product by the customer. In such cases, sales revenue is initially recognized on a provisional basis using the Company's best estimate of contained metal, and adjusted subsequently. Revenues are recorded under these contracts at the time control passes to the buyer based on the expected settlement period. Revenue on provisionally priced sales is recognized based on estimates of the fair value of the consideration receivable based on forward market prices and estimated quantities. At each reporting date provisionally priced metal is marked to market based on the forward selling price for the quotational period stipulated in the contract. Variations between the price recorded at the date when control is transferred to the buyer and the actual final price set under the smelting contracts are caused by changes in metal prices resulting in the receivable being recorded at fair value through profit or loss ("FVTPL").

IFRS 15 - *Revenue from Contracts with Customers* ("IFRS 15") requires that variable consideration should only be recognized to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur. The Company concluded that the adjustments relating to the final assay results for the quantity and quality of concentrate sold are not significant and do not constrain the recognition of revenue.

Refining and treatment charges under the sales contracts are netted against revenue for sales of metal concentrate.

f) Financial instruments

Financial assets and financial liabilities are recognized in the Company's Consolidated Statements of Financial Position ("SFP") when the Company becomes a party to the contractual provisions of the instrument.

i) Financial assets

On initial recognition, a financial asset is classified as measured at: amortized cost, fair value through other comprehensive income ("FVTOCI"), or FVTPL. Financial assets at FVTPL are initially measured at fair value and those at amortized cost or FVTOCI are initially measured at fair value plus transaction costs.

Subsequent measurement of financial assets and liabilities depends on the classifications of such assets and liabilities.

Amortized cost:

Financial assets that meet the following conditions are measured subsequently at amortized cost:

- The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows, and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The amortized cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortization using effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. Interest income is recognized using the effective interest method. Interest income is recognized in Interest and finance expense in the SOE.

The Company's financial assets at amortized cost primarily include cash and cash equivalents and, receivables not arising from sale of metal concentrates (included in Trade and other receivables) in the SFP (Note 10(a)).

FVTOCI:

Financial assets that meet the following conditions are measured at FVTOCI:

- The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding; or
- The Company may make an irrevocable election at initial recognition for particular investments in equity instruments that would otherwise be measured at FVTPL to present subsequent changes in fair value in Other Comprehensive Income ("OCI").

At initial recognition, the Company made an irrevocable election to measure all the investments acquired from Yamana at FVTOCI (Note 10(c)).

FVTPL:

By default, all other financial assets are measured subsequently at FVTPL.

Financial assets measured at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognized in profit or loss to the extent they are not part of a designated hedging relationship. Fair value is determined in the manner described in Note 10(e)(ii). The Company's financial assets at FVTPL include its trade receivables from provisional concentrate sales, investments in equity securities not designated as FVTOCI, derivative assets not designated as hedging instruments, and contingent consideration receivable.

ii) Financial liabilities and equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all its liabilities. Equity instruments issued by the Company are recognized at the proceeds received, net of direct issue costs. Repurchase of the Company's own equity instruments is recognized as a direct reduction in equity. No gain or loss is recognized in the SOE on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Classification of financial liabilities

Financial liabilities other than those which are contingent consideration of an acquirer in a business combination, held for trading or designated as at FVTPL, are measured at amortized cost using effective interest method.

Derivatives

When the Company enters into derivative contracts, these transactions are designed to reduce exposures related to assets and liabilities, firm commitments or anticipated transactions. The Company does not have derivative instruments that qualify as cash flow hedges and consequently all derivatives are recorded at FVTPL.

g) Derivative financial instruments

The Company utilizes foreign currency and commodity contracts, including forward contracts to manage exposure to fluctuations in metal prices and foreign currency exchange rates. For metals production, these contracts are intended to reduce the risk of falling prices on the Company's future sales. Foreign currency derivative financial instruments, such as forward contracts, are used to manage the effects of exchange rate changes on foreign currency cost exposures. Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as assets when the fair value is positive and as liabilities when the fair value is negative and any gains or losses arising from changes in fair value on derivatives are taken directly to earnings for the year. The fair value of forward currency and commodity contracts is calculated by reference to current forward exchange rates and prices for contracts with similar maturity profiles.

h) Inventories

Inventories include work in progress, concentrate, doré, processed silver and gold, heap leach inventory, and operating materials and supplies. Work in progress inventory includes ore stockpiles and other partly processed material. Stockpiles represent ore that has been extracted and is available for further processing. The classification of inventory is determined by the stage at which the ore is in the production process. Inventories of ore are sampled for metal content and are valued based on the lower of cost or estimated net realizable value ("NRV") based upon the period ending prices of contained metal. Cost is determined on a weighted average basis or using a first-in-first-out basis and includes all costs incurred in the normal course of business including direct material and direct labour costs and an allocation of production overheads, depreciation and amortization, and other costs, based on normal production capacity, incurred in bringing each product to its present location and condition. Material that does not contain a minimum quantity of metal to cover estimated processing expenses to recover the contained metal is not classified as inventory and is assigned no value. The work in progress inventory is considered part of the operating cycle which the Company classifies as current inventory and hence heap leach and stockpiles are included in current inventory. Quantities are assessed primarily through surveys and assays.

The Company then processes the ore through the crushing facility where the output is again weighed and sampled for assaying. A metallurgical reconciliation with the data collected from the mining operation is completed with appropriate adjustments made to previous estimates. The crushed ore is then transported to the leach pad for application of the leaching solution. The samples from the automated sampler are assayed each shift and used for process control. The quantity of leach solution is measured by flow meters throughout the leaching and precipitation process. The pregnant solution from the heap leach is collected and passed through the processing circuit to produce precipitate, which is reported and then smelted to produce doré bars.

The costs incurred in the construction of heap leach pads are capitalized to Mineral Properties, Plant and Equipment. Heap leach inventory represents silver and gold contained in ore that has been placed on the leach pad for cyanide irrigation. The heap leach process is a process of extracting silver and gold by placing ore on an impermeable pad and applying a diluted cyanide solution that dissolves a portion of the contained silver

and gold, which is then recovered during the metallurgical process. When the ore is placed on the pad, an estimate of the recoverable ounces is made based on tonnage, ore grade and estimated recoveries of the ore type placed on the pad. The estimated recoverable ounces on the pad are used to compile the inventory cost.

The Company uses several integrated steps to scientifically measure the metal content of the ore placed on the leach pads. The tonnage, grade, and ore type to be mined in a period was first estimated using the Mineral Reserve model. As the ore body is drilled in preparation for the blasting process, samples are taken of the drill residue, which is assayed to determine their metal content and quantities of contained metal. The estimated recoverable ounces carried in the leach pad inventory are adjusted based on actual recoveries being experienced. Actual and estimated recoveries achieved are measured to the extent possible using various indicators including, but not limited to, individual cell recoveries, the use of leach curve recovery and trends in the levels of carried ounces depending on the circumstances or cumulative pad recoveries.

The Company allocates direct and indirect production costs to by-products on a systematic and rational basis. With respect to concentrate and doré inventory, production costs are allocated based on either gold or silver equivalent ounces contained within the respective concentrate and doré.

The inventory is stated at lower of cost or NRV, with cost being determined using a weighted average cost method. The ending inventory value of ounces associated with the leach pad is equal to opening recoverable ounces plus recoverable ounces placed less ounces produced plus or minus ounce adjustments.

The estimate of both the ultimate recovery expected over time and the quantity of metal that may be extracted relative to the time the leach process occurs requires the use of estimates, which rely upon laboratory test work and estimated models of the leaching kinetics in the heap leach pads. Test work consists of leach columns of up to 400 days duration with 150 days being the average, from which the Company projects metal recoveries up to three years in the future. The quantities of metal contained in the ore are based upon actual weights and assay analysis. The rate at which the leach process extracts gold and silver from the crushed ore is based upon laboratory column tests and actual experience. The assumptions used by the Company to measure metal content during each stage of the inventory conversion process include estimated recovery rates based on laboratory testing and assaying. The Company periodically reviews its estimates compared to actual experience and revises its estimates when appropriate. The ultimate recovery will not be known until the leaching operations cease.

Supplies inventories are valued at the lower of average cost and NRV using replacement cost plus cost to dispose, net of obsolescence. Concentrate and doré inventory includes product at the mine site, the port warehouse and product held by refineries. At times, the Company has a limited amount of finished silver at a minting operation where coins depicting Pan American's emblem are stamped.

i) Mineral Properties, Plant and Equipment ("MPPE")

On initial acquisition, MPPE are valued at cost, being the purchase price and the directly attributable costs of acquisition or construction required to bring the asset to the location and condition necessary for the asset to be capable of operating in the manner intended by management. When provisions for closure and decommissioning are recognized, the corresponding cost is capitalized as part of the cost of the related assets, representing part of the cost of acquiring the future economic benefits of the operation.

In subsequent periods, buildings, plant and equipment are stated at cost less accumulated depreciation and any impairment in value, whilst land is stated at cost less any impairment in value and is not depreciated.

Each asset's or part's estimated useful life has due regard to both its own physical life limitations and the present assessment of economically recoverable reserves of the mine property at which the item is located, and to possible future variations in those assessments. Estimates of remaining useful lives and residual values are reviewed annually. Changes in estimates are accounted for prospectively.

The net carrying amounts of MPPE are reviewed for impairment either individually or at the cash-generating unit ("CGU") level when events and changes in circumstances indicate that the carrying amounts may not be

recoverable. To the extent that these values exceed their recoverable amounts, that excess is recorded as an impairment charge.

In countries where the Company paid Value Added Tax ("VAT") and where there is uncertainty of its recoverability, the VAT payments have either been capitalized to mineral property costs relating to the property or expensed if it relates to mineral exploration. If the Company ultimately recovers previously capitalized amounts, the amount received will be applied to reduce mineral property costs or taken as a credit against current expenses depending on the prior treatment.

Expenditure on major maintenance or repairs includes the cost of the replacement of parts of assets and overhaul costs. Where an asset or part of an asset is replaced and it is probable that future economic benefits associated with the item will be available to the Company, the expenditure is capitalized and the carrying amount of the item replaced derecognized. Similarly, overhaul costs associated with major maintenance are capitalized and depreciated over their useful lives where it is probable that future economic benefits will be available and any remaining carrying amounts of the cost of previous overhauls are derecognized. All other costs are expensed as incurred.

Where an item of MPPE is disposed of or ceases to have a future economic benefit, it is derecognized and the difference between its carrying value and net sales proceeds is recorded as gain or loss on disposal in the SOE.

j) Operational mining properties and mine development

When it has been determined that a mineral property can be economically developed as a result of establishing proven and probable reserves (which occurs upon completion of a positive economic analysis of the mineral deposit), the costs incurred to develop such property including costs to further delineate the ore body and remove overburden to initially expose the ore body prior to the start of mining operations, are capitalized.

Costs associated with commissioning activities on constructed plants are capitalized from the date of mechanical completion of the facilities until the date the Company is ready to commence commercial production. These costs are then amortized using the units-of-production ("UOP") method (described below) over the life of the mine, commencing on the date of commercial production.

Acquisition costs related to the acquisition of land and mineral rights are capitalized as incurred. Prior to acquiring such land or mineral rights, the Company makes a preliminary evaluation to determine that the property has significant potential to economically develop the deposit. The time between initial acquisition and full evaluation of a property's potential is dependent on many factors including: location relative to existing infrastructure, the property's stage of development, geological controls and metal prices. If a mineable deposit is discovered, such costs are amortized when production begins. If no mineable deposit is discovered, such costs are expensed in the period in which it is determined the property has no future economic value.

Major development expenditures on producing properties incurred to increase production or extend the life of the mine are capitalized while ongoing mining expenditures on producing properties are charged against earnings as incurred.

k) Depreciation of MPPE

The carrying amounts of MPPE (including initial and any subsequent capital expenditure) are depreciated to their estimated residual value over the estimated useful lives of the specific assets concerned, or the estimated life of the associated mine or mineral lease, if shorter. Estimates of residual values and useful lives are reviewed annually and any change in estimate is taken into account in the determination of remaining depreciation charges, and adjusted if appropriate, at each SFP date. Changes to the estimated residual values or useful lives are accounted for prospectively. Depreciation commences on the date when the asset is available for use as intended by management.

i) UOP basis

For mining properties and leases and certain mining equipment, the economic benefits from the asset are consumed in a pattern which is linked to the production level. Except as noted below, such assets are depreciated on a UOP basis.

In applying the UOP method, depreciation is normally calculated using the quantity of material extracted from the mine in the period as a percentage of the total quantity of material to be extracted in current and future periods based on proven and probable reserves.

ii) Straight line basis

Assets within operations for which production is not expected to fluctuate significantly from one year to another or which have a physical life shorter than the related mine are depreciated on a straight line basis.

MPPE are depreciated over their useful life, or over the remaining life of the mine if shorter. The major categories of property, plant and equipment are depreciated on a UOP basis and/or straight-line basis as follows:

- Land – not depreciated
- Mobile equipment – 2 to 10 years
- Buildings and plant facilities – 10 to 50 years
- Mining properties and leases including capitalized evaluation and development expenditures – based on applicable reserves on a UOP basis.
- Exploration and evaluation – not depreciated until mine goes into production
- Assets under construction – not depreciated until assets are ready for their intended use

l) Exploration and evaluation

Exploration expenditures are incurred in the search for economic mineral deposits or the process of obtaining more information about existing mineral deposits and typically include costs associated with drilling, sampling, mapping and other activity related to the search for ore.

Evaluation expenditures are incurred to establish the technical and commercial viability of mineral deposits and typically include costs associated with determining optimal methods of extraction and metallurgical and treatment processes, permitting, and preparing economic evaluations.

Exploration expenditures are expensed as incurred. Evaluation expenditures are capitalized when management determines there is a high degree of confidence that future economic benefits will flow to the Company. Acquired exploration and evaluation projects and acquired exploration rights are recognized as assets at their cost of acquisition or at fair value if purchased as part of a business combination.

Capitalized exploration and evaluation expenditures are reclassified to Reserve and Resources within MPPE, in accordance with Note 3(j), once the technical feasibility and commercial viability are demonstrated.

m) Impairment (and reversals of impairment) of non-current assets

The Company reviews and tests the carrying amount of MPPE and intangible assets with finite lives when there is an indication of impairment or impairment reversal. Additionally, disposal groups held for sale are tested for impairment upon classification as a disposal group held for sale.

Impairment assessments on MPPE and intangible assets are conducted at the level of the CGU. The recoverable amount of a CGU is the higher of value in use ("VIU") and fair value less cost to sell. VIU is the net present value of expected future cash flows. Impairments are recognized for any excess of carrying value over the recoverable amount.

Where the recoverable amount is assessed using discounted cash flow techniques, the resulting estimates are based on detailed mine and/or production plans. The cash flow forecasts are based on best estimates of

expected future revenues and costs, including the future cash costs of production, capital expenditure, closure, restoration and environmental clean-up. These may include net cash flows expected to be realized from extraction, processing and sale of mineral resources that do not currently qualify for inclusion in proven or probable ore reserves. Such non-reserve material is included where there is a high degree of confidence in its economic extraction. This expectation is usually based on preliminary drilling and sampling of areas of mineralization that are contiguous with existing reserves. Typically, the additional evaluation to achieve reserve status for such material has not yet been done because this would involve incurring costs earlier than is required for the efficient planning and operation of the mine.

Where the recoverable amount of a CGU is dependent on the life of its associated ore, expected future cash flows reflect long term mine plans, which are based on detailed research, analysis and iterative modeling to optimize the level of return from investment, output and sequence of extraction. The mine plan takes account all relevant characteristics of the ore, including waste to ore ratios, ore grades, haul distances, chemical and metallurgical properties of the ore affecting process recoveries and capacities of processing equipment that can be used. The mine plan is therefore the basis for forecasting production output in each future year and for forecasting production costs.

The Company's cash flow forecasts are based on estimates of future commodity prices, which assume market prices will revert to the Company's assessment of the long-term average price, generally over a period of three to five years. These assessments often differ from current price levels and are updated periodically.

The discount rates applied to the future cash flow forecasts represent an estimate of the rate the market would apply having regard to the time value of money and the risks specific to the asset for which the future cash flow estimates have not been adjusted, including appropriate adjustments for the risk profile of the countries in which the individual CGU operate. The great majority of the Company's sales are based on prices denominated in USD. To the extent that the currencies of countries in which the Company produces commodities strengthen against the USD without commodity price offset, cash flows and, therefore, net present values are reduced.

Non-financial assets other than goodwill that have suffered impairment are tested for possible reversal of the impairment whenever events or changes in circumstances indicate that the impairment may have reversed.

n) Closure and decommissioning costs

The mining, extraction and processing activities of the Company normally give rise to obligations for site closure or rehabilitation. Closure and decommissioning works can include facility decommissioning and dismantling; removal or treatment of waste materials; site and land rehabilitation. The extent of work required and the associated costs are dependent on the requirements of relevant authorities and the Company's environmental policies. Provisions for the cost of each closure and rehabilitation program are recognized at the time that environmental disturbance occurs. When the extent of disturbance increases over the life of an operation, the provision is increased accordingly. Costs included in the provision encompass all closure and decommissioning activity expected to occur progressively over the life of the operation and at the time of closure in connection with disturbances at the reporting date. Routine operating costs that may impact the ultimate closure and decommissioning activities, such as waste material handling conducted as an integral part of a mining or production process, are not included in the provision. Costs arising from unforeseen circumstances, such as the contamination caused by unplanned discharges, are recognized as an expense and liability when the event gives rise to an obligation which is probable and capable of reliable estimation. The timing of the actual closure and decommissioning expenditure is dependent upon a number of factors such as the life and nature of the asset, the operating license conditions, and the environment in which the mine operates. Expenditures may occur before and after closure and can continue for an extended period of time dependent on closure and decommissioning requirements. Closure and decommissioning provisions are measured at the expected value of future cash flows, discounted to their present value and determined according to the probability of alternative estimates of cash flows occurring for each operation. Discount rates used are specific to the underlying obligation. Significant judgments and estimates are involved in forming

expectations of future activities and the amount and timing of the associated cash flows. Those expectations are formed based on existing environmental and regulatory requirements which give rise to a constructive or legal obligation.

When provisions for closure and decommissioning are initially recognized, the corresponding cost is capitalized as a component of the cost of the related asset, representing part of the cost of acquiring the future economic benefits of the operation. The capitalized cost of closure and decommissioning activities is recognized in MPPE and depreciated accordingly. The value of the provision is progressively increased over time as the effect of discounting unwinds, creating an expense recognized in interest and finance expense. Closure and decommissioning provisions are also adjusted for changes in estimates. Those adjustments are accounted for as a change in the corresponding capitalized cost, except where a reduction in the provision is greater than the un-depreciated capitalized cost of the related assets, in which case the capitalized cost is reduced to nil and the remaining adjustment is recognized in the SOE. In the case of closed sites, changes to estimated costs are recognized immediately in the SOE. Changes to the capitalized cost result in an adjustment to future depreciation and finance charges. Adjustments to the estimated amount and timing of future closure and decommissioning cash flows are a normal occurrence in light of the significant judgments and estimates involved.

The provision is reviewed at the end of each reporting period for changes to obligations, legislation or discount rates that impact estimated costs or lives of operations and adjusted to reflect current best estimate. The cost of the related asset is adjusted for changes in the provision resulting from changes in the estimated cash flows or discount rate and the adjusted cost of the asset is depreciated prospectively.

o) Share-based payments

The Company recognizes a stock based compensation expense for all compensation shares, share purchase options, and equity-settled restricted share units ("RSUs") awarded to employees and officers based on the fair values at the date of grant. The fair values at the date of grant for share purchase options and equity-settled RSUs are expensed over the respective vesting periods with a corresponding increase to equity. The fair value of share purchase options is determined using the Black-Scholes option pricing model with market related inputs as of the date of grant. Share purchase options with graded vesting schedules are accounted for as separate grants with different vesting periods and fair values. The fair value of equity-settled RSUs is the market value of the underlying shares at the date of grant. At the end of each reporting period, the Company re-assesses its estimates of the number of awards that are expected to vest and recognizes the impact of any revisions to this estimate in the SOE.

The Company recognizes a stock based compensation expense for performance share units ("PSUs") which are awarded to eligible employees and are settled in cash. Compensation expense for the PSUs is recorded on a straight-line basis over the three year vesting period. This estimated expense is reflected as a component of net earnings over the vesting period of the PSUs with the related obligation recorded as a liability on the SFP. The amount of compensation expense is adjusted at the end of each reporting period to reflect (i) the fair market value of common shares plus the cash equivalent of any dividends distributed by the Company during the three year performance period; (ii) the number of PSUs anticipated to vest; and (iii) the anticipated performance factor.

The Company recognizes a stock based compensation expense for RSUs which are awarded to eligible employees and can be settled in cash or common shares. The estimated compensation expense for the RSUs is recorded on a straight-line basis over the three year vesting period and is reflected as a component of net earnings over the vesting period of the RSUs. For RSUs that the Company intends to settle in cash upon vesting, or the counterparty has the option to settle in cash or common shares, the Company records a liability for the obligation on the SFP, and the expense and liability are adjusted each reporting period to reflect (i) the changes in fair market value of common shares plus the cash equivalent of any dividends distributed by the Company during the three year performance period; and (ii) the number of RSUs anticipated to vest. For RSUs

that the Company intends to settle in common shares, the Company expenses the fair value on the date of grant over the vesting period with a corresponding increase to equity.

The Company recognizes a stock based compensation expense for deferred share units ("DSUs") which are awarded to eligible directors, and can be settled in cash or common shares at the discretion of the Company when the eligible director ceases to hold all positions with the Company as a result of death, retirement, or loss of office or employment. As the Company currently intends to settle the DSUs in cash, the Company records a liability for the obligation on the SFP, and the expense and liability are adjusted each reporting period to reflect (i) the changes in fair market value of common shares plus the cash equivalent of any dividends distributed by the Company and (ii) the number of DSUs anticipated to vest.

p) Income taxes

Taxation on the earnings or loss for the year comprises current and deferred tax. Taxation is recognized in the SOE except to the extent that it relates to items recognized in OCI or directly in equity, in which case the tax is recognized in OCI or equity.

Current tax is the expected tax payable on the taxable income for the year using rates enacted or substantively enacted at the year end, and includes any adjustment to tax payable in respect of previous years.

Deferred tax is provided using the SFP liability method, providing for the tax effect of temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the amounts used for tax assessment or deduction purposes. Where an asset has no deductible or depreciable amount for income tax purposes, but has a deductible amount on sale or abandonment for capital gains tax purposes, that amount is included in the determination of temporary differences.

The tax effect of certain temporary differences is not recognized, principally with respect to goodwill; temporary differences arising on the initial recognition of assets or liabilities (other than those arising in a business combination or in a manner that initially impacted accounting or taxable earnings); and temporary differences relating to investments in subsidiaries, jointly controlled entities and associates to the extent that the Company is able to control the reversal of the temporary difference and the temporary difference is not expected to reverse in the foreseeable future. The amount of deferred tax recognized is based on the expected manner and timing of realization or settlement of the carrying amount of assets and liabilities, with the exception of items that have a tax base solely derived under capital gains tax legislation, using tax rates enacted or substantively enacted at period end. To the extent that an item's tax base is solely derived from the amount deductible under capital gains tax legislation, deferred tax is determined as if such amounts are deductible in determining future assessable income.

The carrying amount of deferred income tax assets is reviewed at each SFP date and reduced to the extent that it is no longer probable that sufficient taxable earnings will be available to allow all or part of the deferred income tax asset to be utilized. To the extent that an asset not previously recognized fulfills the criteria for recognition, a deferred income tax asset is recorded.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which the asset is realized or the liability is settled, based on tax rates and tax laws enacted or substantively enacted at the SFP date.

Mining taxes and royalties are treated and disclosed as current and deferred taxes if they have the characteristics of an income tax. Judgments are required about the application of income tax legislation. These judgments and assumptions are subject to risk and uncertainty, hence there is a possibility that changes in circumstances will alter expectations, which may impact the amount of deferred tax assets and deferred tax liabilities recognized on the SFP and the amount of other tax losses and temporary differences not yet recognized. In such circumstances, some or the entire carrying amount of recognized deferred tax assets and liabilities may require adjustment, resulting in a corresponding credit or charge to the SOE.

Deferred tax assets, including those arising from tax losses, capital losses and temporary differences, are recognized only where it is probable that taxable earnings will be available against which the losses or deductible temporary differences can be utilized. Assumptions about the generation of future taxable earnings and repatriation of retained earnings depend on management's estimates of future cash flows. These depend on estimates of future production and sales volumes, commodity prices, reserves, operating costs, closure and decommissioning costs, capital expenditures, dividends and other capital management transactions.

4. CHANGES IN ACCOUNTING STANDARDS

New and amended IFRS Accounting Standards that are effective for the current period

Classification of Liabilities as Current or Non-Current (Amendments to IAS 1)

Effective January 1, 2024, the Company implemented Amendments to IAS 1 which provides clarification on the presentation of liabilities. The classification of liabilities as current or non-current is based on contractual rights that are in existence at the end of the reporting period and is affected by expectations about whether an entity will exercise its right to defer settlement. A liability not due over the next twelve months is classified as non-current even if management intends or expects to settle the liability within twelve months. The amendment also introduces a definition of 'settlement' to make clear that settlement refers to the transfer of cash, equity instruments, other assets, or services to the counterparty. The amendments also clarify how conditions with which an entity must comply within twelve months after the reporting period affect the classification of a liability. Covenants to be complied with after the reporting date do not affect the classification of debt as current or non-current at the reporting date. The implementation of this amendment did not have a material impact on the Company.

New and amended IFRS Accounting Standards not yet effective in the current period

Certain new accounting standards and interpretations have been published that are not mandatory for the current period and have not been early adopted.

IFRS 18 - Presentation and Disclosure in Financial Statements

In April 2024, IFRS 18 *Presentation and Disclosure in Financial Statements* was released. IFRS 18 replaces IAS 1 *Presentation of Financial Statements* while carrying forward many of the requirements in IAS 1. IFRS 18 introduces new requirements to: i) present specified categories and defined subtotals in the statement of earnings, ii) provide disclosures on management-defined performance measures ("MPMs") in the notes to the financial statements, iii) improve aggregation and disaggregation. Some of the requirements in IAS 1 are moved to IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors* and IFRS 7 *Financial Instruments: Disclosures*. The IASB also made minor amendments to IAS 7 *Statement of Cash Flows* and IAS 33 *Earnings per Share* in connection with the new standard. IFRS 18 requires retrospective application with specific transition provisions. The Company is required to apply IFRS 18 for annual reporting periods beginning on or after January 1, 2027 with early adoption permitted. The Company is currently evaluating the impact of IFRS 18 on its financial statements.

Lack of Exchangeability (Amendments to IAS 21)

The amendments contain guidance to specify when a currency is exchangeable and how to determine the exchange rate when it is not. The amendments are effective for annual reporting periods beginning on or after January 1, 2025. The Company is currently evaluating the impact of this amendment.

5. SIGNIFICANT JUDGMENTS IN APPLYING ACCOUNTING POLICIES

Judgments that have the most significant effect on the amounts recognized in the Company's Consolidated Financial Statements are as follows:

a) Capitalization of evaluation costs

The Company has determined that evaluation costs capitalized during the year relating to the operating mines and certain other exploration interests have potential future economic benefits and are potentially economically recoverable. In making this judgment, the Company has assessed various sources of information including but not limited to the geologic and metallurgic information, history of conversion of mineral deposits to proven and probable mineral reserves, scoping and feasibility studies, proximity to existing ore bodies, operating management expertise and required environmental, operating and other permits.

b) Functional currency

The functional currency for the Company and its subsidiaries is the currency of the primary economic environment in which each operates. The Company has determined that its functional currency and that of its subsidiaries is the USD. The determination of functional currency may require certain judgments to determine the primary economic environment. The Company reconsiders the functional currency used when there is a change in events and conditions which determined the primary economic environment.

c) Impairment, or impairment reversal, of mining interests

There is significant judgment involved in assessing whether any indications of impairment, or impairment reversal, exist for mining interests, with consideration given to both external and internal sources of information. Information the Company considers include changes in the market, economic and legal environment in which the Company operates that are not within its control that affect the recoverable amount of mining interests. Internal sources of information include the manner in which MPPE are being used or are expected to be used and indications of the economic performance of the assets. Estimates include but are not limited to estimates of the discounted future after-tax cash flows expected to be derived from the Company's mining properties, costs to sell the mining properties and the appropriate discount rate. Changes in metal price forecasts, increases or decreases in estimated future costs of production, increases or decreases in estimated future capital costs, reductions or increases in the amount of recoverable mineral reserves and mineral resources and/or adverse or favorable current economics can result in a write-down or write-up of the carrying amounts of the Company's mining interests. In the year ended December 31, 2024, no impairment indicators were identified and \$nil impairment charges were incurred. In the year ended December 31, 2023, the Company identified indicators of impairment at the Morococha mine and Shahuindo's crushing and agglomeration plant (Note 15) and incurred impairment charges of \$78.6 million.

d) Yamana Acquisition Business Combination

Management has concluded that Yamana constitutes a business and, therefore, the acquisition is accounted for in accordance with IFRS 3 - *Business Combinations*. Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value.

6. KEY SOURCES OF ESTIMATION UNCERTAINTY IN THE APPLICATION OF ACCOUNTING POLICIES

Key sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities are:

- Revenue recognition:** Revenue from the sale of concentrate to independent smelters is recognized when control of the asset sold is transferred to the customer. The Company's concentrate sales contracts with third-party buyers, in general, provide for a provisional payment based upon provisional assays and quoted metal prices. Final settlement is based on applicable commodity prices set on specified quotational periods, typically ranging from one month prior to shipment, and can extend to three months after the shipment arrives at the smelter and is based on average market metal prices. Sales revenue is commonly subject to adjustments based on an inspection of the product by the customer. In such cases, sales revenue is initially recognized on a provisional basis using the Company's best estimate of contained metal, and adjusted subsequently. Revenues are recorded under these contracts at the time control passes to the buyer based on the expected settlement period. Revenue on provisionally priced sales is recognized based on estimates of the fair value of the consideration receivable based on forward market prices and estimated quantities. At each reporting date provisionally priced metal is marked to market based on the forward selling price for the quotational period stipulated in the contract. Variations between the price recorded at the date when control is transferred to the buyer and the actual final price set under the smelting contracts are caused by changes in metal prices resulting in the receivable being recorded at FVTPL. In a period of high price volatility, as experienced under current economic conditions, the effect of mark-to-market price adjustments related to the quantity of metal which remains to be settled with independent smelters could be significant. For changes in metal quantities upon receipt of new information and assay, the provisional sales quantities are adjusted.
- Estimated recoverable ounces:** The carrying amounts of the Company's mining properties are depleted based on recoverable ounces. Changes to estimates of recoverable ounces and depletable costs including changes resulting from revisions to the Company's mine plans and changes in metal price forecasts can result in a change to future depletion rates.
- Mineral reserve estimates:** The figures for mineral reserves and mineral resources are disclosed in accordance with National Instrument 43 - 101, "Standards of Disclosure for Mineral Projects", issued by the Canadian Securities Administrators and in accordance with "Estimation of Mineral Resources and Mineral Reserves Best Practice Guidelines – adopted November 29, 2019", prepared by the Canadian Institute of Mining, Metallurgy and Petroleum Mineral Resource and Mineral Reserve Committee. There are numerous uncertainties inherent in estimating mineral reserves and mineral resources, including many factors beyond the Company's control. Such estimation is a subjective process, and the accuracy of any mineral reserve or mineral resource estimate is a function of the quantity and quality of available data and of the assumptions made and judgments used in engineering and geological interpretation. Differences between management's assumptions including economic assumptions such as metal prices and market conditions could have a material effect in the future on the Company's financial position and results of operation.
- Valuation of Inventory:** In determining mine production costs recognized in the SOE, the Company makes estimates of quantities of ore stacked in stockpiles, placed on the heap leach pad and in process and the recoverable silver in this material to determine the average costs of finished goods sold during the period. Changes in these estimates can result in a change in mine operating costs of future periods and carrying amounts of inventories. Refer to Note 12 for details.
- Depreciation and amortization rates for MPPE:** Depreciation and amortization expenses are allocated based on assumed asset lives and depreciation and amortization rates. Should the asset life or depreciation rate differ from the initial estimate, an adjustment would be made in the SOE prospectively. A change in the mineral

reserve estimate for assets depreciated using the UOP method would impact depreciation expense prospectively.

- *Estimation of decommissioning and reclamation costs and the timing of expenditures:* The cost estimates are updated annually during the life of a mine to reflect known developments, (e.g. revisions to cost estimates and to the estimated lives of operations), and are subject to review at regular intervals. Decommissioning, restoration and similar liabilities are estimated based on the Company's interpretation of current regulatory requirements, constructive obligations and are measured at the best estimate of expenditures required to settle the present obligation of decommissioning, restoration or similar liabilities that may occur upon decommissioning of the mine at the end of its productive life. The carrying amount is determined based on the net present value of estimated future cash expenditures for the settlement of decommissioning, restoration or similar liabilities that may occur upon decommissioning of the mine. Such estimates are subject to change based on changes in laws and regulations and negotiations with regulatory authorities, and the Company's learned experience in decommissioning assets. Refer to Note 18 for details on decommissioning and restoration costs.
- *Income taxes and recoverability of deferred tax assets:* In assessing the probability of realizing income tax assets recognized, the Company makes estimates related to expectations of future taxable income, applicable tax rates and tax planning opportunities, expected timing of reversals of existing temporary differences and the likelihood that tax positions taken will be sustained upon examination by applicable tax authorities. In making its assessments, the Company gives additional weight to positive and negative evidence that can be objectively verified. Estimates of future taxable income are based on forecasted cash flows from operations and the application of existing tax laws in each jurisdiction. The Company considers relevant tax planning opportunities that are within the Company's control, are feasible and within management's ability to implement. Examination by applicable tax authorities is supported based on individual facts and circumstances of the relevant tax position examined in light of all available evidence. Where applicable tax laws and regulations are either unclear or subject to ongoing varying interpretations, it is reasonably possible that changes in these estimates can occur that materially affect the amounts of income tax assets recognized. Also, future changes in tax laws could limit the Company from realizing the tax benefits from the deferred tax assets. The Company reassesses unrecognized income tax assets at each reporting period. Refer to Note 29 for further discussion on income taxes.
- *Accounting for acquisitions:* The fair value of assets acquired, liabilities assumed and the resulting goodwill, if any, require that management make certain judgement and estimates taking into account information available at the time of acquisition about future events, including, but not limited to, estimates of mineral reserves and resources acquired, exploration potential, future operating costs and capital expenditures, future metal prices, long-term foreign exchange rates, discount rates and tax rates.
- *Provisions and contingencies:* Due to the size, complexity and nature of the Company's operations, various legal and tax matters are outstanding from time to time. In the event the Company's estimates of the future resolution of these matters change, the Company will recognize the effects of the changes in its Consolidated Financial Statements on the date such changes occur. Refer to Note 30 for further discussion on contingencies.

7. MANAGEMENT OF CAPITAL

The Company's objective when managing its capital is to maintain its ability to continue as a going concern while at the same time maximizing the growth of its business and providing returns to its shareholders. The Company's capital structure consists of shareholders' equity (comprising issued capital plus share option reserve plus deficit, plus investment revaluation reserve) with a balance of \$4.7 billion as at December 31, 2024 (2023 - \$4.8 billion). The Company manages its capital structure and makes adjustments based on changes to its economic environment and the risk characteristics of the Company's assets. The Company's capital requirements are effectively managed based on the Company having a thorough reporting, planning and forecasting process to help identify the funds required to ensure the Company is able to meet its operating and growth objectives.

The Company is not subject to externally imposed capital requirements and the Company's overall objective with respect to capital risk management remains unchanged from the year ended December 31, 2023.

8. YAMANA ACQUISITION

On March 31, 2023, the Company completed the acquisition of 100% of the issued and outstanding shares of Yamana for consideration of 153.8 million Pan American Common Shares, which were valued at approximately \$2.8 billion based on the closing price of the shares on March 30, 2023 (the "Acquisition"). After this share issuance, Pan American shareholders owned approximately 58%, while former Yamana shareholders owned approximately 42%, of the shares of the combined company.

As a result of the Acquisition, the Company received \$259.5 million in cash and cash equivalents from Yamana. The Company began consolidating the operating results, cash flows and net assets of Yamana from March 31, 2023 onwards.

The Company sought to increase production of silver and gold, expand its mineral reserves, mine life and growth opportunities through the acquisition of Yamana's diverse portfolio of mines and projects, including the following principal mines: Jacobina in Brazil; El Peñon and Minera Florida in Chile; and Cerro Moro in Argentina.

The Company had a measurement period of up to one year from the acquisition date to determine the acquisition date fair value of the acquired assets and liabilities. The acquisition date fair values were finalized during the year ended December 31, 2023.

For the year ended December 31, 2023, from the date of acquisition on March 31, 2023, the assets acquired from Yamana contributed \$916.1 million of revenue and \$6.5 million of net earnings. Had the transaction occurred January 1, 2023, Yamana would have contributed revenue of \$1,198.3 million and pre-tax net income of \$30.6 million for the year ended December 31, 2023.

Total consideration:

Nature of consideration	Shares (in millions)	Consideration
Pan American Shares ⁽¹⁾	153.8	\$ 2,823.0

(1) The Pan American Share consideration value is based on an assumed value of \$18.36 per share (based on the closing price of the common shares of Pan American on NASDAQ on March 30, 2023).

Allocation of the purchase price:

	Acquisition date fair value
Assets acquired	
Cash and cash equivalents	\$ 259.5
Investments	59.5
Accounts receivable ⁽¹⁾	20.4
Income tax receivables	19.4
Value added tax receivables	54.0
Inventories	247.5
Mineral properties, plant and equipment	5,054.4
Other assets	59.4
Liabilities assumed	
Accounts payable	(215.3)
Income tax payables	(22.4)
Provision for closure and decommissioning liabilities	(244.0)
Litigation provisions	(34.6)
Lease obligations	(81.4)
Debt ⁽²⁾	(927.6)
Other long-term liabilities	(59.7)
Deferred taxes	(881.2)
Net assets acquired	3,307.9
Non-controlling interests ⁽³⁾	(484.9)
Net assets attributable to Pan American	\$ 2,823.0

- (1) Trade receivables acquired had a fair value of \$0.5 million, which was equal to their gross contractual value. Other receivables acquired had a fair value of \$19.9 million. Trade and other receivables acquired were substantially collected during the year ended December 31, 2023.
- (2) Debt acquired included: 1. two senior notes with a fair value of \$675.2 million (Note 20); 2. a revolving credit facility with a fair value of \$205 million, which was immediately repaid on Acquisition Date (Note 20); 3. the MARA loan with a fair value of \$37.0 million which was disposed as part of the MARA disposition (Note 9) (Note 20); and 4. Short-term loan in Jacobina with a fair value of \$10.4 million that was repaid during the year ended December 31, 2023 (Note 20).
- (3) Non-controlling interests were measured at the proportionate share in the identifiable net assets recognized.

The Company recorded acquisition related costs of \$nil for the year ended December 31, 2024 (2023 - \$25.3 million).

9. DISPOSITIONS

For the year ended December 31, 2024	La Arena
Cash proceeds ⁽¹⁾	\$ 306.6
Net smelter return royalty	29.7
Contingent consideration	36.8
Net proceeds	373.1
Cash and cash equivalents	16.2
Trade and other receivables	29.6
Inventories	134.2
Mineral properties, plant and equipment	223.2
Other assets	0.1
Accounts payable and accrued liabilities	(55.1)
Other current liabilities	(15.6)
Provisions	(86.5)
Other long term liabilities	(12.3)
Net assets attributable to Pan American	233.8
Less: Net Proceeds	373.1
Add: Costs directly attributable to the disposal	1.9
Gain on disposal	\$ 137.4

(1) Includes \$61.6 million of estimated net closing cash and preliminary working capital adjustments.

La Arena Sale

On May 1, 2024, the Company announced that it agreed to sell its 100% interest in La Arena to Zijin. On December 2, 2024 (the "Closing Date"), the Company completed the disposition. In accordance with the share purchase agreement for the sale of La Arena ("SPA"), the Company received total cash proceeds of \$306.6 million, which was comprised of \$245.0 million of cash consideration, estimated net closing cash (Closing Date cash less Closing Date indebtedness), and an estimated net working capital amount, as defined in the SPA. The net working capital is subject to final adjustments as provided in the SPA.

Additionally, Zijin granted the Company a life-of-mine gold net smelter return royalty ("La Arena NSR") of 1.5% for the La Arena II project, and contingent consideration of \$50.0 million payable in cash ("Contingent Consideration") contingent upon the commencement of commercial production from the La Arena II project. The Contingent Consideration is also subject to certain adjustments as provided in the SPA relating to closure costs of the La Arena mine.

The Company recorded the La Arena NSR at a fair value of \$29.7 million upon initial recognition. The fair value of the La Arena NSR was estimated using a discounted future cash flow model ("DCF"). The key assumptions in the DCF included: production metrics and duration based on the preliminary feasibility study for the La Arena II Project; prevailing consensus metal prices as at the Closing Date; and, an 8.0% discount rate based on a weighted average cost of capital ("WACC") adjusted for specific risks for the La Arena NSR.

The Company recorded the Contingent Consideration at a fair value of \$36.8 million upon initial recognition. The fair value was estimated using a DCF by applying assumptions consistent with those applied for the La Arena NSR valuation, and a 7.5% discount rate based on a WACC adjusted for specific risks for the Contingent Consideration. Given that the payment is contingent on the successful commencement of commercial production, the Contingent Consideration is classified as a financial asset, measured at FVTPL, in accordance with IFRS 9 - *Financial Instruments* (Note 10) and its fair value shall be subsequently re-measured at the end of each reporting period with changes recognized in the SOE.

For the year ended December 31, 2023	MARA	Morococha	ADLF	Total
Cash proceeds ⁽¹⁾	\$ 475.0	\$ 28.6	\$ 45.5	\$ 549.1
Net smelter return royalty	90.0	—	11.1	101.1
Net proceeds	565.0	28.6	56.6	650.2
Cash and cash equivalents	188.4	5.6	0.1	194.1
Other current assets	9.1	4.8	0.1	14.0
Mineral properties, plant and equipment	1,400.5	35.8	142.2	1,578.5
Other non-current assets	3.1	0.8	—	3.9
Current liabilities	(27.0)	(11.6)	(0.4)	(39.0)
Provisions	(133.2)	(11.2)	(3.7)	(148.1)
Deferred tax liabilities	(380.4)	(0.1)	(38.8)	(419.3)
Long-term debt	(31.5)	—	—	(31.5)
Other long-term liabilities	(19.3)	(0.1)	—	(19.4)
Net carrying amount	1,009.7	24.0	99.5	1,133.2
Non-controlling interest	(444.7)	(2.1)	(42.9)	(489.7)
Net assets attributable to Pan American	565.0	21.9	56.6	643.5
Less: net proceeds	565.0	28.6	56.6	650.2
Gain on disposal	\$ —	\$ 6.7	\$ —	\$ 6.7

(1) The Morococha sale cash consideration includes \$3.6 million related to final working capital adjustments.

MARA Sale

On July 31, 2023, the Company announced that it had entered into a definitive agreement to sell its 56.25% interest in the MARA project, located in the Catamarca province of Argentina, acquired as part of the Acquisition, to Glencore International AG ("Glencore"). On September 20, 2023, the Company completed the sale. The Company received cash proceeds of \$475 million and a life-of-mine copper net smelter return royalty ("MARA NSR") of 0.75% on a 100% interest in the property with the right for Pan American to freely transfer the royalty.

The Company recorded the MARA NSR at an estimated fair value of \$90.0 million. The fair value of the MARA NSR was estimated by the Company using a DCF, for which the key assumptions included production metrics and duration based on the preliminary feasibility study on the MARA Project, prevailing consensus metal prices as at September 2023, and an 8% discount rate.

Morococha Sale

On June 19, 2023, the Company entered into a binding agreement to sell its 92.3% interest in Compañía Minera Argentum S.A. ("CMA"), Pan American's Peruvian subsidiary that owned the Morococha mine located in Peru. The sale was completed on September 22, 2023 for cash proceeds of \$28.6 million, inclusive of a \$5.0 million deposit paid in Q2 2023 and final working capital adjustments. The Company had recorded an impairment charge of \$42.4 million (Note 15) upon Morococha's classification as an asset held for sale in June 2023.

Agua de la Falda Sale

On July 31, 2023, the Company entered into a definitive agreement to sell its 57.74% interest in the Agua de la Falda ("ADLF") project, located in the Atacama region of northern Chile, acquired as part of the Acquisition, and completed the sale on November 6, 2023 for cash proceeds of \$45.5 million and granted to Pan American's subsidiary a net smelter return royalty of 1.25% on all precious metals and a net smelter return royalty of 0.2% ("Agua de la Falda NSR") on all base metals production from certain mineral concessions of ADLF, applied on a pro rata basis in accordance with the ownership interest acquired in such concessions.

The Company recorded the Agua de la Falda NSR at an estimated fair value of \$11.1 million. The fair value of the Agua de la Falda NSR was estimated using a DCF for which the key assumptions included: production metrics and duration based on preliminary feasibility studies on the project, prevailing consensus metal prices as at November 2023, and a 6% discount rate.

10. FINANCIAL INSTRUMENTS

a) Financial assets and liabilities by categories:

December 31, 2024	Amortized cost	FVTPL	FVTOCI	Total
Financial Assets:				
Cash and cash equivalents	\$ 862.8	\$ —	\$ —	\$ 862.8
Trade receivables from provisional concentrates sales ⁽¹⁾	—	31.2	—	31.2
Receivable not arising from sale of metal concentrates ⁽¹⁾	127.3	—	—	127.3
Investments	—	23.7	0.8	24.5
Contingent Consideration (Note 9) ⁽²⁾	—	36.8	—	36.8
	\$ 990.1	\$ 91.7	\$ 0.8	\$ 1,082.6
Financial Liabilities:				
Derivative liabilities	\$ —	\$ 12.8	\$ —	\$ 12.8
Debt	\$ 708.8	\$ —	\$ —	\$ 708.8

(1) Included in Trade and other receivables.

(2) Included in Other long-term assets.

December 31, 2023	Amortized cost	FVTPL	FVTOCI	Total
Financial Assets:				
Cash and cash equivalents	\$ 399.6	\$ —	\$ —	\$ 399.6
Trade receivables from provisional concentrates sales ⁽¹⁾	—	17.5	—	17.5
Receivable not arising from sale of metal concentrates ⁽¹⁾	110.1	—	—	110.1
Investments	—	38.1	3.2	41.3
Derivative assets ⁽²⁾	—	6.9	—	6.9
	\$ 509.7	\$ 62.5	\$ 3.2	\$ 575.4
Financial Liabilities:				
Derivative liabilities	\$ —	\$ 0.1	\$ —	\$ 0.1
Debt	\$ 703.7	\$ —	\$ —	\$ 703.7

(1) Included in Trade and other receivables.

(2) Included in Other assets and Other liabilities.

b) Investments recorded at FVTPL

A portion of the Company's investments are recorded at FVTPL. The losses from investments recorded at FVTPL for the year ended December 31, 2024 and 2023 were as follows:

	2024	2023
Unrealized losses on investments	\$ (14.3)	\$ (6.5)
Realized gains on investments	—	1.0
	\$ (14.3)	\$ (5.5)

c) Investments recorded at FVTOCI

A portion of the Company's investments are recorded at FVTOCI. The losses from the Company's investments recorded at FVTOCI for the year ended December 31, 2024 and 2023 were as follows:

	2024	2023
Unrealized losses on investments	\$ (0.5)	\$ (5.4)
Realized gains (losses) on investments ⁽¹⁾	0.1	(18.8)
	\$ (0.4)	\$ (24.2)

(1) Excludes income tax expense of \$nil, recorded through OCI, related to investments for the year ended December 31, 2024 (2023 - \$0.5 million).

d) Derivative instruments

The Company's derivatives are comprised of foreign currency and commodity contracts. The losses and gains on derivatives for the year ended December 31, 2024 and 2023 were comprised of the following:

	2024	2023
Realized (losses) gains on derivatives	\$ (5.5)	\$ 13.8
Unrealized losses on derivatives	(19.6)	(5.5)
	\$ (25.1)	\$ 8.3

e) Fair value information
i) Fair Value Measurement

The categories of the fair value hierarchy that reflect the inputs to valuation techniques used to measure fair value are as follows:

Level 1: Quoted prices in active markets for identical assets or liabilities;

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and

Level 3: Inputs for the asset or liability based on unobservable market data

The levels in the fair value hierarchy into which the Company's financial assets and liabilities that are measured and recognized on the SFP at fair value on a recurring basis were categorized as follows:

	At December 31, 2024			At December 31, 2023		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Assets and Liabilities:						
Investments (Note 11)	\$ 24.5	\$ —	\$ —	\$ 41.3	\$ —	\$ —
Trade receivables from provisional concentrate sales	—	31.2	—	—	17.5	—
Derivative assets ⁽¹⁾	—	—	—	—	6.9	—
Contingent Consideration (Note 9) ⁽¹⁾	—	—	36.8	—	—	—
Derivative liabilities	—	(12.8)	—	—	(0.1)	—
	\$ 24.5	\$ 18.4	\$ 36.8	\$ 41.3	\$ 24.3	\$ —

(1) Included in Other assets and Other liabilities.

The methodology and assessment of inputs for determining the fair value of financial assets and liabilities as well as the levels of hierarchy for the Company's financial assets and liabilities measured at fair value remains unchanged from that at December 31, 2023.

ii) Valuation Techniques
Investments

The Company's investments are valued using quoted market prices in active markets and as such are classified within Level 1 of the fair value hierarchy and are primarily equity securities. The fair value of the equity securities is calculated using the quoted market price multiplied by the quantity of shares held by the Company.

Derivative assets and liabilities

The Company's derivative assets and liabilities were comprised of foreign currency and commodity contracts which are classified within Level 2 of the fair value hierarchy and valued using observable market prices.

Receivables from provisional concentrate sales

A portion of the Company's trade receivables arose from provisional concentrate sales and are classified within Level 2 of the fair value hierarchy and valued using quoted market prices based on the forward

London Metal Exchange for copper, zinc and lead and the London Bullion Market Association P.M. fix for gold and silver.

Contingent Consideration

The Contingent Consideration receivable from the disposition of La Arena is contingent upon successful commencement of commercial production at the La Arena II project and is classified within Level 3 of the fair value hierarchy and valued using a DCF (Note 9). The key unobservable inputs, which are not materially sensitive, include the estimated time to commercial production and the risk-adjusted WACC.

f) Financial Instruments and related risks

The Company has exposure to risks of varying degrees of significance, which could affect its ability to achieve its strategic objectives for growth and shareholder returns. The principle financial risks to which the Company is exposed are:

- i) Credit risk
- ii) Liquidity risk
- iii) Market risk
 - 1. Currency risk
 - 2. Interest rate risk
 - 3. Price risk

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework and reviews the Company's policies on an ongoing basis.

i) Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Company's trade receivables. The carrying value of trade receivables represents the maximum credit exposure.

The Company has concentrate contracts to sell the zinc, lead, copper and silver concentrates produced by the Minera Florida, Huaron, San Vicente and La Colorada mines. Concentrate contracts are a common business practice in the mining industry. The terms of the concentrate contracts may require the Company to deliver concentrate that has a value greater than the payment received at the time of delivery, thereby introducing the Company to credit risk of the buyers of concentrates. Should any of these counterparties not honour purchase arrangements, or should any of them become insolvent, the Company may incur losses for products already shipped and be forced to sell its concentrates on the spot market or it may not have a market for its concentrates and therefore its future operating results may be materially adversely impacted. At December 31, 2024, the Company had receivable balances associated with buyers of its concentrates of \$31.2 million (2023 - \$17.5 million). The vast majority of the Company's concentrate is sold to a limited number of concentrate buyers.

Doré production from Jacobina, El Peñon, Minera Florida, Cerro Moro, La Colorada, Dolores, Shahuindo and Timmins is refined under long-term agreements with fixed refining terms at eleven separate refineries worldwide. The Company generally retains the risk and title to the precious metals throughout the process of refining and therefore is exposed to the risk that the refineries will not be able to perform in accordance with the refining contract and that the Company may not be able to fully recover precious metals in such circumstances. At December 31, 2024, the Company had approximately \$68.8 million (2023 - \$10.8 million) of value contained in precious metal inventory at refineries. The Company maintains insurance coverage against the loss of precious metals at the Company's mine sites, in-transit to refineries and while at the refineries. Risk is transferred to the refineries at various stages from mine site to refinery.

The Company maintains trading facilities with several banks and bullion dealers for the purposes of transacting the Company's metal sales. None of these facilities are subject to margin arrangements. The

Company's trading activities can expose the Company to the credit risk of its counterparties to the extent that the trading positions have a positive mark-to-market value.

Refined silver and gold are sold in the spot market to various bullion traders and banks. Credit risk may arise from these activities if the Company is not paid for metal at the time it is delivered, as required by spot sale contracts, which is uncommon as payments are predominantly concurrent with the sale.

Supplier advances for products and services yet to be provided are a common practice in some jurisdictions in which we operate. These advances represent a credit risk to us to the extent that suppliers do not deliver products or perform services as expected. As at December 31, 2024, we had made \$6.7 million of supplier advances (2023 - \$10.4 million), which are reflected in "Trade and other receivables" on the SFP.

Management constantly monitors and assesses the credit risk resulting from its refining arrangements, concentrate sales and commodity contracts with its refiners, supplier advances, trading counterparties and customers. Furthermore, management carefully considers credit risk when allocating prospective sales and refining business to counterparties. In making allocation decisions, management attempts to avoid unacceptable concentration of credit risk to any single counterparty.

Cash and cash equivalents, trade accounts receivable and other receivables that represent the maximum credit risk to the Company consist of the following:

	December 31, 2024	December 31, 2023
Cash and cash equivalents	\$ 862.8	\$ 399.6
Trade accounts receivable ⁽¹⁾	31.2	17.5
Supplier advances ⁽¹⁾	6.7	10.4

(1) Included in Trade and other receivables.

The Company invests its cash and cash equivalents, which also has credit risk, with the objective of maintaining safety of principal and providing adequate liquidity to meet all current payment obligations.

ii) Liquidity Risk

Liquidity risk is the risk that an entity will not be able to meet its financial obligations as they come due. The Company has in place a rigorous planning, budgeting and forecasting process to help determine the funds required to support the Company's normal operating requirements on an ongoing basis, its expansionary plans and its dividend distributions. The Company ensures that sufficient committed loan facilities exist to meet its short-term business requirements, taking into account its anticipated cash flows from operations and its holdings of cash and cash equivalents.

There was no material change to the Company's exposure to liquidity risk for the years ended December 31, 2024 and 2023.

In the normal course of business, the Company enters into contracts that give rise to commitments for future minimum payments. The following tables summarize the remaining contractual maturities of the Company's financial liabilities and operating and capital commitments on an undiscounted basis:

Payments due by period December 31, 2024						
	Within 1 year	2 - 3 years	4 - 5 years	After 5 years	Total	
Accounts payable and accrued liabilities other than:	\$ 471.4	\$ —	\$ —	\$ —	\$	471.4
Severance liabilities	7.6	12.5	7.9	32.4		60.4
Payroll liabilities	10.4	—	—	—		10.4
Total accounts payable and accrued liabilities	489.4	12.5	7.9	32.4		542.2
Income tax payables	102.1	—	—	—		102.1
Other liabilities	12.8	—	—	—		12.8
Debt						
Repayment of principal	6.8	282.5	—	419.5		708.8
Interest and standby fees	28.9	56.8	28.5	21.4		135.6
Provisions ⁽¹⁾⁽²⁾	5.4	9.0	2.4	7.3		24.1
Future payroll liabilities	1.7	27.0	—	2.7		31.4
Total contractual obligations ⁽²⁾	\$ 647.1	\$ 387.8	\$ 38.8	\$ 483.3	\$	1,557.0

(1) Total litigation provision (Note 18).

(2) Amounts above do not include payments related to closure and decommissioning (current \$27.7 million, long-term \$410.6 million) discussed in Note 18, and lease obligations discussed in Note 19.

Payments due by period December 31, 2023						
	Within 1 year	2 - 3 years	4 - 5 years	After 5 years	Total	
Accounts payable and accrued liabilities other than:	\$ 491.0	\$ —	\$ —	\$ —	\$	491.0
Severance liabilities	2.1	17.2	9.0	32.2		60.5
Payroll liabilities	4.9	—	—	—		4.9
Total accounts payable and accrued liabilities	498.0	17.2	9.0	32.2		556.4
Income tax payables	32.1	—	—	—		32.1
Debt						
Repayment of principal	6.7	11.9	275.3	409.8		703.7
Interest and standby fees	29.1	57.6	43.4	34.5		164.6
Provisions ⁽¹⁾⁽²⁾	4.0	14.0	1.2	7.7		26.9
Future payroll liabilities	2.5	17.0	—	1.8		21.3
Total contractual obligations ⁽²⁾	\$ 572.4	\$ 117.7	\$ 328.9	\$ 486.0	\$	1,505.0

(1) Total litigation provision (Note 18).

(2) Amounts above do not include payments related to closure and decommissioning (current \$37.6 million, long-term \$409.5 million) discussed in Note 18, and lease obligations discussed in Note 19.

iii) Market Risk

1. Currency Risk

The Company reports its Consolidated Financial Statements in USD; however, the Company operates in jurisdictions that utilize other currencies. As a consequence, the financial results of the Company's operations as reported in USD are subject to changes in the value of the USD relative to local currencies. Since the Company's sales are denominated in USD and a portion of the Company's operating costs and capital spending are in local currencies, the Company is negatively impacted by strengthening local currencies relative to the USD and positively impacted by the inverse.

The Company's net earnings are affected by the revaluation of its monetary assets and monetary liabilities at each SFP date. The Company has reviewed its monetary assets and monetary liabilities and is exposed to foreign exchange risk through financial assets and liabilities and deferred tax assets and liabilities denominated in currencies other than USD, as shown in the table below. The Company

estimates that a 10% change in the exchange rate of the foreign currencies in which its December 31, 2024 non-USD net monetary liabilities were denominated would result in an income before taxes change of about \$70.9 million (2023 - \$69.0 million).

The Company is exposed to currency risk through the following financial assets and liabilities, and deferred tax assets and liabilities denominated in foreign currencies:

At December 31, 2024	Cash and investments	Other current and non-current assets	Income taxes receivable (payable), current and non-current	Accounts payable and accrued liabilities and non-current liabilities	Deferred tax assets and liabilities
Canadian dollar	\$ 40.3	\$ 6.5	\$ (7.2)	\$ (67.2)	\$ (8.6)
Mexican peso	7.9	19.9	12.8	(28.4)	12.7
Argentine peso	0.1	43.6	0.6	(73.7)	(10.4)
Bolivian boliviano	10.0	8.7	(18.0)	(7.0)	(0.2)
European euro	—	—	—	(0.1)	—
Peruvian sol	2.9	25.2	(31.6)	(39.8)	(55.3)
Guatemala quetzal	0.1	0.1	—	(6.2)	—
Chilean peso	6.6	5.5	(15.9)	(77.1)	(61.3)
Brazilian real	1.1	3.9	(14.5)	(42.9)	(352.4)
	\$ 69.0	\$ 113.4	\$ (73.8)	\$ (342.4)	\$ (475.5)

At December 31, 2023	Cash and investments	Other current and non-current assets	Income taxes receivable (payable), current and non-current	Accounts payable and accrued liabilities and non-current liabilities	Deferred tax assets and liabilities
Canadian dollar	\$ 47.6	\$ 4.6	\$ 8.0	\$ (56.1)	\$ 12.0
Mexican peso	3.2	14.3	11.4	(54.0)	33.9
Argentine peso	0.4	21.5	—	(79.0)	(12.1)
Bolivian boliviano	9.2	8.0	(7.0)	(7.6)	(3.8)
European euro	0.1	—	(2.2)	(0.1)	—
Peruvian sol	6.1	22.0	5.1	(87.2)	(68.1)
Guatemala quetzal	0.2	0.1	(0.1)	(9.6)	—
Chilean peso	1.2	7.2	18.5	(75.9)	(89.8)
Brazilian real	0.4	5.6	(5.4)	(39.3)	(333.3)
	\$ 68.4	\$ 83.3	\$ 28.3	\$ (408.8)	\$ (461.2)

At December 31, 2024, the Company had outstanding positions on its foreign currency exposure of Mexican peso ("MXN"), Peruvian sol ("PEN"), Canadian dollar ("CAD"), Chilean peso ("CLP") and Brazilian real ("BRL") purchases. The Company recorded the following derivative losses and gains on currencies for the year ended December 31, 2024 and 2023:

	2024	2023
Mexican peso (losses) gains	\$ (2.7)	\$ 2.5
Peruvian sol gains	0.2	2.9
Canadian dollar (losses) gains	(5.5)	4.1
Chilean peso losses	(6.4)	(3.0)
Brazilian real (losses) gains	(11.0)	1.2
	\$ (25.4)	\$ 7.7

2. Interest Rate Risk

Interest rate risk is the risk that the fair values and future cash flows of the Company will fluctuate because of changes in market interest rates. The average interest rate earned by the Company during the year ended December 31, 2024 on its cash and investments was 3.0% (2023 - 3.2%). A 10% increase or decrease in the interest earned from financial institutions on cash and investments would result in a \$1.2 million change in the Company's earnings before income taxes (2023 – \$1.6 million).

As at December 31, 2024 the Company has \$nil (2023- \$nil) drawn under its \$750.0 million Sustainability-Linked Credit Facility ("SL-Credit Facility"), with a maturity date of November 24, 2028 (Note 20). The SL-Credit Facility incurred a weighted average interest rate of nil% (2023- 5.7%) during the year ended December 31, 2024 on amounts drawn.

The Company has two senior notes (see Note 20): senior notes with a fixed 4.625% coupon and maturing in December 2027; and senior notes with a fixed 2.63% coupon and maturing in August 2031 (collectively "Senior Notes"). As the Senior Notes bear interest at fixed rates, they are not subject to significant interest rate risk.

3. Price Risk

Metal price risk is the risk that changes in metal prices will affect the Company's revenue or the value of its related financial instruments. The Company derives its revenue from the sale of silver, gold, lead, copper, and zinc. The Company's sales are directly dependent on metal prices that have shown significant volatility and are beyond the Company's control. Consistent with the Company's mission to provide equity investors with exposure to changes in precious metal prices, the Company's policy is to not hedge the price of precious metals.

A 10% increase in all metal prices as at December 31, 2024, would result in an increase of approximately \$281.3 million (2023 – \$233.6 million) in the Company's annual revenues. A 10% decrease in all metal prices as at the same period would result in a decrease of approximately \$282.5 million (2023 - \$235.7 million) in the Company's annual revenues. The Company also enters into provisional concentrate contracts to sell the silver, zinc, lead and copper concentrates. We have provisionally priced sales for which price finalization, referenced to the relevant zinc, lead, copper and silver index, is outstanding at the SFP date. A 10% increase (decrease) in metals prices on open positions of zinc, lead, copper and silver for provisional concentrate contracts for the year ended December 31, 2024 would result in \$5.3 million increase (decrease) (2023 - \$3.3 million) in the Company's before tax earnings.

The Company mitigates the price risk associated with its base metal production by committing some of its forecasted base metal production from time to time under forward sales and option contracts. The Board of Directors continually assesses the Company's strategy towards its base metal exposure, depending on market conditions.

At December 31, 2024, the Company did not have any base metal or diesel contracts outstanding during the for the year ended December 31, 2024 and 2023.

11. INVESTMENTS

	December 31, 2024			December 31, 2023		
	Fair Value	Cost	Accumulated unrealized holding gains (losses)	Fair Value	Cost	Accumulated unrealized holding gains
Investments	\$ 24.5	\$ 34.9	\$ (10.4)	\$ 41.3	\$ 37.3	\$ 4.0

12. INVENTORIES

Inventories consist of:

	December 31, 2024	December 31, 2023
Concentrate inventory	\$ 31.8	\$ 21.3
Stockpile ore	67.8	67.2
Heap leach inventory and in process	223.5	338.6
Doré and finished inventory	131.1	121.1
Materials and supplies	180.9	191.2
Total inventories	635.1	739.4
Less: current portion of inventories	(605.7)	(711.6)
Non-current portion inventories ⁽¹⁾	\$ 29.4	\$ 27.8

(1) Includes \$22.1 million (2023 - \$20.5 million) in supplies at the Escobal mine, which have been classified as non-current pending the restart of operations.

Total inventories held at net realizable value amounted to \$76.2 million at December 31, 2024 (2023 – \$170.0 million). The Company recorded write-downs of \$71.3 million for the year ended December 31, 2024 (2023 – recoveries of \$31.8 million), which were related primarily to heap leach inventories, \$50.7 million of which was included in depreciation and amortization (Note 14), and the remaining \$20.6 million was included in production costs (Note 23).

A portion of the stockpile ore amounting to \$nil (2023 - \$0.7 million) and a portion of the heap leach inventory amounting to \$4.1 million (2023 - \$70.1 million) is expected to be recovered or settled after more than twelve months.

13. OTHER ASSETS

Other assets consist of:

	December 31, 2024	December 31, 2023
Insurance prepaids	\$ 7.8	\$ 7.4
Other prepaids	23.8	22.3
Derivative assets	—	6.9
	\$ 31.6	\$ 36.6

14. MINERAL PROPERTIES, PLANT AND EQUIPMENT

Mineral properties, plant and equipment consist of:

	Mining Properties					
	Depletable		Non-depletable			
	Reserves and Resources	Reserves and Resources	Exploration and Evaluation	Plant and Equipment	Total	
Carrying value						
As at January 1, 2024						
Net of accumulated depreciation	\$ 2,412.5	\$ 1,632.1	\$ 632.2	\$ 998.3	\$ 5,675.1	
Additions	287.5	21.6	2.1	83.2	394.4	
Net smelter return royalty acquired (Note 9)	—	—	29.7	—	29.7	
Disposals	(1.0)	(0.8)	—	(6.7)	(8.5)	
Disposition of subsidiaries (Note 9)	(103.7)	—	(117.0)	(2.5)	(223.2)	
Depreciation and amortization ⁽¹⁾⁽²⁾	(312.2)	(1.4)	—	(208.8)	(522.4)	
Depreciation charge captured in inventory	(41.0)	—	—	—	(41.0)	
Transfers	(131.4)	(26.3)	(36.7)	194.4	—	
Closure and decommissioning – changes in estimate (Note 18)	21.0	—	—	—	21.0	
As at December 31, 2024	\$ 2,131.7	\$ 1,625.2	\$ 510.3	\$ 1,057.9	\$ 5,325.1	
Cost as at December 31, 2024	\$ 4,244.5	\$ 2,496.7	\$ 562.9	\$ 2,192.4	\$ 9,496.5	
Accumulated depreciation and impairments	(2,112.8)	(871.5)	(52.6)	(1,134.5)	(4,171.4)	
Carrying value – December 31, 2024	\$ 2,131.7	\$ 1,625.2	\$ 510.3	\$ 1,057.9	\$ 5,325.1	

(1) Includes \$1.4 million of depreciation and amortization included in mine care and maintenance for the year ended December 31, 2024.

(2) Excludes \$50.7 million of depreciation and amortization related to the net realizable value adjustments on inventories (Note 12).

	Mining Properties					Total
	Depletable		Non-depletable			
	Reserves and Resources	Reserves and Resources	Exploration and Evaluation	Plant and Equipment		
Carrying value						
As at January 1, 2023						
Net of accumulated depreciation	\$ 962.7	\$ 442.2	\$ 428.5	\$ 393.0	\$	2,226.4
Additions	315.5	21.0	25.2	71.5		433.2
Yamana acquisition (Note 8)	1,474.1	2,667.8	205.4	707.1		5,054.4
Net smelter return royalties acquired (Note 9)	—	—	101.1	—		101.1
Disposals	(1.4)	—	(0.1)	(6.5)		(8.0)
Disposition of subsidiaries (Note 9)	—	(1,436.4)	(142.1)	—		(1,578.5)
Depreciation and amortization ⁽¹⁾	(297.2)	(1.8)	—	(187.0)		(486.0)
Depreciation charge captured in inventory	(0.2)	—	—	—		(0.2)
Impairment charge (Note 15)	10.3	(42.4)	—	(46.5)		(78.6)
Transfers	(62.6)	(18.3)	14.2	66.7		—
Closure and decommissioning – changes in estimate (Note 18)	11.3	—	—	—		11.3
As at December 31, 2023	\$ 2,412.5	\$ 1,632.1	\$ 632.2	\$ 998.3	\$	5,675.1
Cost as at December 31, 2023	\$ 4,348.5	\$ 2,531.4	\$ 687.1	\$ 2,052.6	\$	9,619.6
Accumulated depreciation and impairments	(1,936.0)	(899.3)	(54.9)	(1,054.3)		(3,944.5)
Carrying value – December 31, 2023	\$ 2,412.5	\$ 1,632.1	\$ 632.2	\$ 998.3	\$	5,675.1

(1) Includes \$1.8 million of depreciation and amortization included in mine care and maintenance for the year ended December 31, 2023.

		December 31, 2024			December 31, 2023		
		Cost	Accumulated Depreciation and Impairment	Carrying Value	Cost	Accumulated Depreciation and Impairment	Carrying Value
Producing:							
Brazil	Jacobina	\$ 1,617.2	\$ (200.1)	\$ 1,417.1	\$ 1,539.1	\$ (85.5)	\$ 1,453.6
Chile	El Peñon	496.3	(121.6)	374.7	477.7	(56.7)	421.0
	Minera Florida	183.1	(28.9)	154.2	167.6	(15.9)	151.7
Peru	Huaron	337.5	(159.1)	178.4	261.6	(146.1)	115.5
	Shahuindo	724.6	(331.0)	393.6	690.6	(265.7)	424.9
	La Arena	—	—	—	307.9	(178.8)	129.1
Mexico	La Colorada	473.8	(241.0)	232.8	443.4	(224.8)	218.6
	Dolores	1,748.3	(1,744.1)	4.2	1,777.5	(1,680.7)	96.8
Argentina	Cerro Moro ⁽¹⁾	161.8	(61.1)	100.7	142.5	(22.9)	119.6
Bolivia	San Vicente	165.6	(136.5)	29.1	160.7	(127.8)	32.9
Canada	Timmins	445.3	(197.1)	248.2	400.7	(165.8)	234.9
	Other	83.4	(26.9)	56.5	31.9	(19.6)	12.3
		\$ 6,436.9	\$ (3,247.4)	\$ 3,189.5	\$ 6,401.2	\$ (2,990.3)	\$ 3,410.9
Non-Producing:							
	Land	\$ 13.6	\$ (1.0)	\$ 12.6	\$ 14.4	\$ (1.0)	\$ 13.4
Brazil	Jacobina	952.4	—	952.4	982.6	—	982.6
Chile	El Peñon ⁽²⁾	227.7	—	227.7	227.7	—	227.7
	Minera Florida	28.9	—	28.9	28.9	—	28.9
	La Pepa ⁽²⁾	49.7	—	49.7	49.7	—	49.7
Peru	La Arena	—	—	—	117.0	—	117.0
Mexico	Minefinders	77.2	(37.5)	39.7	77.2	(37.5)	39.7
	La Colorada	139.1	—	139.1	119.1	—	119.1
Argentina	Manantial Espejo ⁽³⁾	493.0	(493.0)	—	518.4	(518.4)	—
	Navidad	566.6	(376.2)	190.4	566.6	(376.2)	190.4
Guatemala	Escobal	260.6	(5.1)	255.5	257.2	(3.8)	253.4
Canada	Timmins	67.9	—	67.9	62.9	—	62.9
	Other ⁽⁴⁾⁽⁵⁾	182.9	(11.2)	171.7	196.8	(17.4)	179.4
		\$ 3,059.6	\$ (924.0)	\$ 2,135.6	\$ 3,218.5	\$ (954.3)	\$ 2,264.2
Total		\$ 9,496.5	\$ (4,171.4)	\$ 5,325.1	\$ 9,619.7	\$ (3,944.6)	\$ 5,675.1

(1) Includes a commitment to Sandstorm Gold Ltd. ("Sandstorm") to deliver, for 30% of the spot silver price, 20% of the silver produced by Cerro Moro up to a maximum of 1.2 million ounces annually until 7.0 million ounces have been delivered, after which the Company is committed to deliver to Sandstorm 9% of the remaining life of mine silver production for 30% of the spot silver price. As at December 31, 2024, the Company delivered 6.7 million ounces.

(2) Includes net smelter royalty interests on the Jeronimo Project (\$11.1 million) (2023: \$11.1 million).

(3) Manantial Espejo was placed on care and maintenance in January 2023.

(4) Includes net smelter royalty interests on the MARA Project (\$90.0 million) (2023: \$90.0 million).

(5) Includes net smelter royalty interests on the La Arena II Project (\$29.7 million) (2023: \$nil).

15. IMPAIRMENT

The Company's impairment expense in respect of the following CGUs were as follows:

	2024	2023
Shahuindo	\$ —	\$ 36.2
Morococha	—	42.4
	\$ —	\$ 78.6

The Company reviews each of its CGUs, represented by its principal producing mining properties and significant development projects, for indicators of impairment or impairment reversal each period end. The CGU carrying

amount for purposes of this assessment includes the carrying value of the mineral properties plant and equipment and goodwill less deferred tax liabilities and closure and decommissioning liabilities related to each CGU.

2023 Indicators of Impairment

a. Shahuindo

In the fourth quarter of 2023 the Company determined that the non-operating crushing and agglomeration plant located at the Shahuindo operation (the "C&A Plant") would not be used during the planned Shahuindo life of operations, and plans were established to commence dismantling the C&A Plant in 2024. This decision was partially informed by the beneficial tax treatment of dismantling the C&A Plant. Based on this decision a \$36.2 million impairment charge was recorded to fully impair the value of the C&A Plant.

b. Morococha

In June 2023 the Company entered into a binding agreement to sell its interest in CMA, Pan American's Peruvian subsidiary that owned the Morococha mine in Peru. In the second quarter of 2023 a pre-tax impairment charge of \$42.4 million was recorded on the CMA net assets to bring the carrying value to the \$25.0 million consideration amount (Note 9).

16. OTHER LONG-TERM ASSETS

Other long-term assets consist of:

	December 31, 2024	December 31, 2023
Long-term prepaids	\$ 23.1	\$ 9.0
Contingent Consideration (Note 9)	36.8	—
Escrow funds	6.2	9.9
Other	6.2	6.2
	\$ 72.2	\$ 25.1

17. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Accounts payable and accrued liabilities consist of:

	December 31, 2024	December 31, 2023
Trade accounts payable ⁽¹⁾	\$ 194.4	\$ 198.2
Royalty payables	38.2	30.1
Other accounts payable and accrued liabilities	118.7	144.2
Payroll and severance liabilities	107.7	85.0
Value added tax liabilities	10.7	9.6
Other tax payables	19.7	30.9
	\$ 489.4	\$ 498.0

(1) No interest is charged on the trade accounts payable ranging from 30 to 60 days from the invoice date. The Company has policies in place to ensure that all payables are paid within the credit terms.

18. PROVISIONS

	2024	2023
Reclamation obligations, opening balance	\$ 447.1	\$ 296.2
Reclamation obligations from the Acquisition (Note 8)	—	244.0
Dispositions (Note 9)	(89.2)	(129.9)
Revisions in estimates and obligations	74.2	29.9
Expenditures	(25.1)	(27.3)
Accretion expense (Note 25)	31.3	34.2
Reclamation obligations, closing balance	\$ 438.3	\$ 447.1
Litigation	25.4	10.5
Litigation from the Acquisition	—	34.6
Dispositions (Note 9)	(1.3)	(18.2)
Total provisions	\$ 462.4	\$ 474.0
Maturity analysis of total provisions:	December 31, 2024	December 31, 2023
Current	\$ 35.3	\$ 41.6
Non-current	427.1	432.4
	\$ 462.4	\$ 474.0

Closure and Decommissioning Cost Provision

The inflated and discounted provisions on the SFP as at December 31, 2024, using an inflation rate of 2.5% (2023 – between 1% and 5%) and discount rates of between 3% and 10% (2023 - between 3% and 11%), was \$438.3 million (2023 - \$447.1 million). Revisions made to the reclamation obligations in 2024 were primarily a result of revisions to the estimate based on periodic reviews of closure plans, actual expenditures incurred, and concurrent closure activities completed. These obligations will be funded from operating cash flows, reclamation deposits and cash on hand.

As the MPPE at certain operations in reclamation and closure have reached the end of their useful lives, updated studies were performed which resulted in changed plans, and accordingly \$53.7 million (2023 - \$15.7 million) of the revisions in mine reclamation obligations was recognized in the SOE with the balance of the revisions in mine reclamation obligations recognized in the cost of the associated MPPE.

The accretion expense charged to 2024 earnings as finance expense was \$31.3 million (2023 - \$34.2 million). Reclamation expenditures paid during the current year were \$25.1 million (2023 - \$27.3 million).

Litigation Provision

The litigation provision, as at December 31, 2024 and 2023, consists primarily of amounts accrued for labour claims in the Company's operating jurisdictions, along with certain other proceedings. The balance of \$24.1 million at December 31, 2024 (2023 - \$26.9 million) represents the Company's present obligations related to known and potential claims for which payment is probable and the amount can be reliably estimated. The timing of any expected payments is uncertain as their determination is outside the control of the Company.

19. LEASES

a. Right-of-Use ("ROU") assets

The following table summarizes changes in ROU assets for the year ended December 31, 2024, which have been recorded in mineral properties, plant and equipment on the SFP:

	December 31, 2024	December 31, 2023
Opening net book value	\$ 105.0	\$ 30.3
Additions	57.6	36.8
ROU assets from the Acquisition (Note 8)	—	81.4
Depreciation	(44.8)	(39.2)
Dispositions	(2.1)	(9.0)
Other	(9.4)	4.7
Closing net book value	\$ 106.3	\$ 105.0

b. Lease obligations

The following table presents a reconciliation of the Company's undiscounted cash flows at December 31, 2024 and December 31, 2023 to their present value for the Company's lease obligations:

	December 31, 2024	December 31, 2023
Within one year	\$ 45.8	\$ 50.7
Between one and five years	49.1	53.1
Beyond five years	21.5	12.0
Total undiscounted lease obligations	116.4	115.8
Less future interest charges	(21.9)	(17.9)
Total discounted lease obligations	94.5	97.9
Less: current portion of lease obligations	(40.6)	(45.7)
Non-current portion of lease obligations	\$ 53.9	\$ 52.2

20. DEBT

	December 31, 2023		Repayments	Accrued Interest	December 31, 2024	
Senior note maturing December 2027	\$	273.8	\$	—	\$	275.9
Senior note maturing August 2031		409.8		—		419.5
Other loans		20.1		(6.7)		13.4
Less: current portion of debt	\$	(6.7)	\$	—	\$	(6.8)
Non-current portion of debt	\$	697.0	\$	(6.7)	\$	702.0

	December 31, 2022	Proceeds	Repayments	Accrued Interest	Other ⁽²⁾	The Acquisition ⁽¹⁾	Dispositions	December 31, 2023
Senior note maturing December 2027	\$ —	\$ —	\$ —	\$ 1.5	\$ —	\$ 272.3	\$ —	\$ 273.8
Senior note maturing August 2031	—	—	—	6.9	—	402.9	—	409.8
SL-Credit Facility	160.0	315.0	(475.0)	—	—	—	—	—
Other loans ⁽¹⁾	33.7	—	(228.5)	1.0	(7.0)	252.4	(31.5)	20.1
Less: current portion of debt	\$ (13.7)	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	(6.7)
Non-current portion of debt	\$ 180.0	\$ 315.0	\$ (703.5)	\$ 9.4	\$ (7.0)	\$ 927.6	\$ (31.5)	\$ 697.0

(1) In connection with the Acquisition, the Company acquired a loan in MARA (\$37 million), a short term loan in Jacobina (\$10.3 million) and revolving credit facility in Yamana Corp (\$205.0 million). The MARA and Jacobina loans bore effective interest rates of 5.5%, and the revolving credit facility was immediately repaid at the date of Acquisition (Note 8). The Jacobina loan was repaid and the MARA loan was disposed of during the year ended December 31, 2023.

(2) Includes a \$7.0 million reclassification of debt at La Arena to accounts payables and accrued liabilities.

Senior Notes

As part of the Acquisition, the Company acquired the following Senior Notes: \$283 million in aggregate principal with a 4.625% coupon and maturing in December 2027; and \$500 million in aggregate principal with a 2.63% coupon and maturing in August 2031. These Senior Notes are unsecured with interest payable semi-annually. Each series of Senior Notes is redeemable, in whole or in part, at the Company's option, at any time prior to maturity, subject to make-whole provisions. The Senior Notes are accreted to the face value over their respective terms and were recorded at fair value upon acquisition using an effective interest rate of 5.52%.

SL-Credit Facility

The SL-Credit Facility has a limit of \$750.0 million plus an accordion feature for up to an additional \$250.0 million, which is available at the discretion of the lenders. As of December 31, 2024, the Company was in compliance with all financial covenants under the SL-Credit Facility, which was undrawn. The borrowing costs under the Company's SL-Credit Facility are based on the Company's credit ratings from Moody's and S&P Global's at either: (i) SOFR plus 1.25% to 2.40% or; (ii) The Bank of Nova Scotia's Base Rate on U.S. dollar denominated commercial loans plus 0.15% to 1.30%. Under the ratings based pricing, undrawn amounts under the SL-Credit Facility are subject to a stand-by fee of 0.23% to 0.46% per annum, dependent on the Company's credit rating and subject to pricing adjustments based on sustainability performance ratings and scores. The Company's SL-Credit Facility matures on November 24, 2028.

The Company paid an effective interest rate of nil% (2023- 5.7%) on the SL-Credit Facility during the year ended December 31, 2024. During the year ended December 31, 2024, the Company made net repayments on the SL-Credit Facility of \$nil (2023 - \$160.0 million).

Other loans

Construction loans

In June 2021 and May 2022, the Company entered into Peruvian USD denominated five-year loans with a local financial institution in Peru for construction financing. The June 2021 loan bears a 3.6% interest rate per annum and requires quarterly repayments while the May 2022 loan bears 2.2% interest per annum and requires monthly repayments.

As at December 31, 2024 the carrying value of all construction loans was \$13.4 million (2023 - \$20.1 million).

For the year ended December 31, 2024, the Company paid \$2.0 million (2023 - \$2.0 million) in standby charges on undrawn amounts related to the SL-Credit Facility and \$35.3 million (2023 - \$43.1 million) in interest, both included in interest and finance expense.

21. OTHER LONG-TERM LIABILITIES

Other long term liabilities consist of:

	December 31, 2024	December 31, 2023
Deferred credit ⁽¹⁾	\$ 23.6	\$ 21.6
Deferred revenue ⁽²⁾	13.3	13.1
Severance liabilities ⁽³⁾	57.5	58.5
	\$ 94.4	\$ 93.2

(1) Represents the obligation to deliver future silver production of Navidad pursuant to a silver stream contract.

(2) Represents the obligation to deliver 100% of the future gold production from La Colorada and 5% of the future gold production from La Bolsa, which is in the exploration stage.

(3) Includes \$49.6 million (2023 - \$50.5 million) of Chilean severances, required by local labour laws, from the Acquisition (Note 8).

22. SHARE CAPITAL AND EMPLOYEE COMPENSATION PLANS

a. Stock options and compensation shares

For the year ended December 31, 2024, the total share-based compensation expense relating to stock options and compensation shares was \$0.4 million (2023 - \$5.5 million) and is presented as a component of general and administrative expense.

The following table summarizes changes in stock options for the years ended December 31:

	Stock Options Outstanding	
	Shares	Weighted Average Exercise Price CAD\$
As at December 31, 2022	377.0	\$ 23.01
Granted	167.1	21.18
Expired	(14.4)	23.61
Forfeited	(16.5)	25.39
As at December 31, 2023	513.2	\$ 22.32
Exercised	(100.9)	20.07
Forfeited	(15.9)	22.25
As at December 31, 2024	396.4	\$ 22.90

The following table summarizes information about the Company's stock options outstanding at December 31, 2024:

Range of Exercise Prices CAD\$	Options Outstanding			Options Exercisable	
	Number Outstanding as at December 31, 2024	Weighted Average Remaining Contractual Life (years)	Weighted Average Exercise Price CAD\$	Number Outstanding as at December 31, 2024	Weighted Average Exercise Price CAD\$
\$17.53 - \$23.03	332.2	4.9 \$	21.46	169.6 \$	21.11
\$23.04 - \$28.54	20.4	1.9 \$	26.54	20.4 \$	26.54
\$28.55 - \$34.04	36.9	3.9 \$	30.70	36.9 \$	30.70
\$34.05 - \$39.48	6.9	2.9 \$	39.48	6.9 \$	39.48
	396.4	4.6 \$	22.90	233.8 \$	23.64

The following assumptions were used in the Black-Scholes option pricing model in determining the fair value of options granted during the years ended December 31:

	2023
Expected life (years)	4.5
Expected volatility	30.1 %
Expected dividend yield	2.7 %
Risk-free interest rate	3.8 %
Weighted average exercise price (CAD\$)	\$ 21.18
Weighted average fair value (CAD\$)	\$ 6.01

b. PSUs

PSUs are notional share units that mirror the market value of the Company's common shares. Each vested PSU entitles the participant to a cash payment equal to the value of an underlying share, less applicable taxes, at the end of the term, plus the cash equivalent of any dividends distributed by the Company during the three-year performance period. PSU grants will vest on the date that is three years from the date of grant subject to certain exceptions. Performance results at the end of the performance period relative to predetermined performance criteria and the application of the corresponding performance multiplier determine how many PSUs vest for each participant. The Board of Directors approved the issuance of 220.0 thousand PSUs for 2024 with a share price of CAD \$31.52 (2023 - 534.9 thousand PSUs approved at a share price of CAD \$20.21). The Company recorded a \$6.3 million and \$1.5 million expense, respectively, in general and administrative expense for PSUs for the years ended December 31, 2024 and 2023.

The following table summarizes changes in PSUs for the years ended December 31, 2024 and 2023:

PSU	Number Outstanding (in thousands)	Fair Value
As at December 31, 2022	288.0 \$	4.8
Granted	534.9	8.7
Paid out	(66.0)	—
Change in value	—	(1.0)
As at December 31, 2023	756.9 \$	12.5
Granted	220.0	4.9
Paid out	(79.4)	(1.6)
Forfeited	(17.4)	(0.4)
Change in value	—	2.7
As at December 31, 2024	880.1 \$	18.1

c. RSUs

Under the Company's RSU plan, selected employees are granted RSUs where each RSU has a value equivalent to one Pan American common share. At the time of settlement, the Company has the discretion to settle the RSUs with cash or common shares. The RSUs vest in three installments, the first 33.3% vest on the first anniversary date of the grant, the second 33.3% vest on the second anniversary date of the grant, and a further 33.3% vest on the third anniversary date of the grant. Additionally, RSU value is adjusted to reflect dividends paid on common shares over the vesting period.

The Company recorded a \$6.9 million and \$2.9 million expense, respectively, in general and administrative expense for RSUs for the years ended December 31, 2024 and 2023.

The following table summarizes changes in RSUs for the years ended December 31, 2024 and 2023:

RSU	Number Outstanding (in thousands)	Fair Value
As at December 31, 2022	551.8	\$ 9.1
Granted	516.2	8.4
Paid out	(237.3)	(3.9)
Forfeited	(25.7)	(0.4)
Change in value	—	(0.1)
As at December 31, 2023	805.0	\$ 13.1
Granted	636.7	14.9
Paid out	(299.5)	(6.1)
Forfeited	(124.5)	(2.5)
Change in value	—	1.5
As at December 31, 2024	1,017.7	\$ 20.9

d. DSUs

The Company recorded a \$0.5 million and \$0.1 million expense, respectively, in general and administrative expense for DSUs for the year ended December 31, 2024 and 2023.

The following table summarizes changes in DSUs for the years ended December 31, 2024 and 2023:

DSU	Number Outstanding (in thousands)	Fair Value
As at December 31, 2022	—	\$ —
Granted	109.0	1.7
Change in value	—	0.1
As at December 31, 2023	109.0	\$ 1.8
Granted	47.5	1.0
Paid out	(25.7)	(0.6)
Change in value	—	0.6
As at December 31, 2024	130.8	\$ 2.8

e. Authorized share capital

The Company is authorized to issue 800.0 million common shares without par value.

f. Dividends

The Company declared the following dividends for the years ended December 31, 2024 and 2023:

Declaration date	Record date	Dividend per common share
February 19, 2025 ⁽¹⁾	March 4, 2025	\$ 0.10
November 5, 2024	November 18, 2024	\$ 0.10
August 7, 2024	August 19, 2024	\$ 0.10
May 8, 2024	May 21, 2024	\$ 0.10
February 21, 2024	March 4, 2024	\$ 0.10
November 7, 2023	November 20, 2023	\$ 0.10
August 9, 2023	August 21, 2023	\$ 0.10
March 24, 2023	April 14, 2023	\$ 0.10
February 22, 2023	March 6, 2023	\$ 0.10

(1) These dividends were declared subsequent to the year end and have not been recognized as distributions to owners during the period presented.

g. CVRs

As part of the acquisition of Tahoe Resources Inc ("Tahoe"), on February 22, 2019, the Company issued 313.9 million Contingent Value Rights ("CVRs"), with a term of 10 years, which were convertible into 15.6 million common shares upon the first commercial shipment of concentrate following the restart of operations at the Escobal mine. As of December 31, 2024 and 2023, there were 313.9 million CVRs outstanding that are convertible into 15.6 million common shares.

h. Normal Course Issuer Bid ("NCIB")

On March 4, 2024, the Company obtained approval of its NCIB from the TSX and the NYSE to purchase for cancellation up to 18,232,990 common shares between March 6, 2024 and March 5, 2025. Daily purchases (other than pursuant to a block purchase exemption) on the TSX and NYSE under the NCIB are limited to a maximum of 151,485 common shares and 25% of the average trading volume for the Company's common shares in the four calendar weeks preceding the date of purchase, respectively.

For the year ended December 31, 2024, 1,720,366 common shares were repurchased for cancellation under the NCIB at an average price of \$14.16 per share for a total consideration of \$24.3 million.

There were no share repurchases during the year ended December 31, 2023 nor shares held in treasury as at December 31, 2024 or December 31, 2023.

Subsequent to the year ended December 31, 2024, 909,012 common shares were repurchased for cancellation under the NCIB at an average price of \$22.00 per share for a total consideration of \$20.0 million.

23. PRODUCTION COSTS

Production costs are comprised of the following:

	2024	2023
Materials and consumables	\$ 604.7	\$ 539.0
Salaries and employee benefits ⁽¹⁾	531.1	471.7
Contractors	392.5	341.2
Utilities	75.0	65.8
Insurance	21.1	22.6
Other expense	52.9	31.6
Changes in inventories ⁽²⁾⁽³⁾	(43.5)	7.3
	\$ 1,633.8	\$ 1,479.2

(1) Salaries and employee benefits are comprised of:

	2024	2023
Wages, salaries and bonuses	\$ 589.6	\$ 536.6
Share-based compensation	0.4	5.5
Total employee compensation and benefit expenses	590.0	542.1
Less: Expensed within General and Administrative expenses	(45.8)	(38.8)
Less: Expensed within Mine Care and Maintenance expenses	(10.1)	(26.8)
Less: Expensed within Exploration expenses	(3.0)	(4.8)
Employee compensation and benefits expenses included in production costs	\$ 531.1	\$ 471.7

- (2) Includes NRV adjustments to inventories to increase production costs by \$20.6 million for the year ended December 31, 2024 (2023 - decrease by \$31.8 million).
- (3) Includes the sale of inventory with acquisition date fair value adjustments of \$41.1 million for the year ended December 31, 2023 resulting from the Yamana Acquisition (Note 8).

24. MINE CARE AND MAINTENANCE

	2024	2023
Escobal	\$ 24.1	\$ 26.0
Morococha ⁽¹⁾	—	17.9
Navidad	1.8	2.8
MARA ⁽²⁾	—	20.4
Manantial Espejo	6.4	13.9
	\$ 32.3	\$ 81.0

(1) Morococha was disposed on September 22, 2023 (Note 9).

(2) MARA was disposed on September 20, 2023 (Note 9).

25. INTEREST AND FINANCE EXPENSE

	2024	2023
Interest expense	\$ 47.6	\$ 51.4
Finance fees	5.8	5.8
Accretion expense (Note 18)	31.3	34.2
	\$ 84.7	\$ 91.4

26. EARNINGS PER SHARE ("EPS")

For the year ended December 31,		2024		2023		
	Earnings ⁽¹⁾	Shares	EPS	Earnings	Shares	EPS
Net earnings (loss)	\$ 111.5			\$ (103.7)		
Basic earnings (loss) per share	\$ 111.5	363,361	\$ 0.31	\$ (103.7)	326,540	\$ (0.32)
Effect of dilutive securities:						
Stock options	—	40		—	—	
Diluted earnings (loss) per share	\$ 111.5	363,401	\$ 0.31	\$ (103.7)	326,540	\$ (0.32)

(1) Net earnings attributable to equity holders of the Company.

The following securities were excluded in the computation of diluted earnings per share because they were anti-dilutive but they have the potential to dilute basic earnings per share in the future:

	2024	2023
Potential dilutive securities:		
Share options	64.2	513.2
Potential shares from CVR conversion ⁽¹⁾	15,600.0	15,600.0
	15,664.2	16,113.2

(1) There were 313.9 million CVRs outstanding at December 31, 2024 (2023 - 313.9 million)

27. SUPPLEMENTAL CASH FLOW INFORMATION

The following tables summarize other adjustments for non-cash SOE items:

Other operating activities	2024	2023
Adjustments for non-cash statement of earnings items:		
Unrealized foreign exchange (gains) losses	\$ (21.3)	\$ 5.6
Losses (gains) on derivatives (Note 10(d))	25.1	(8.3)
Share-based compensation expense (Note 22)	0.4	5.5
Loss from associates	—	0.4
Losses (gains) on disposition of mineral properties, plant and equipment	1.4	(1.2)
	\$ 5.6	\$ 2.0

The following tables summarize other adjustments for changes in operating working capital items:

Changes in non-cash operating working capital items:	2024	2023
Trade and other receivables	\$ (61.1)	\$ 45.9
Inventories	(67.8)	38.5
Prepaid expenses	(18.7)	9.4
Accounts payable and accrued liabilities	22.6	(25.7)
Legal provisions	(2.8)	(14.9)
	\$ (127.8)	\$ 53.2

Cash and Cash Equivalents	December 31, 2024	December 31, 2023
Cash in banks	\$ 862.8	\$ 399.6

28. SEGMENTED INFORMATION

The Company reviews its segment reporting to ensure it reflects the operational structure of the Company and enables the Company's Chief Operating Decision Maker to review operating segment performance. We have determined that each producing mine and significant development property represents an operating segment. The Company has organized its reportable and operating segments by significant revenue streams and geographic regions.

From the Acquisition (Note 8) on March 31, 2023, the Company included the following mines: Jacobina, El Peñon and Minera Florida in the Gold Segment, Cerro Moro in the Silver Segment, and the MARA project in the Other Segment. These mines and projects are included in the segmented disclosures below.

Significant information relating to the Company's reportable operating segments is summarized in the table below:

For the year ended December 31, 2024

Segment/Country	Operation	Revenue	Production costs and royalties	Depreciation	Mine operating earnings (losses)	Capital expenditures ⁽¹⁾
Silver Segment:						
Mexico	La Colorada	\$ 161.2	\$ 118.5	\$ 18.2	\$ 24.5	\$ 55.0
Peru	Huaron	172.5	110.6	17.3	44.6	56.5
Bolivia	San Vicente	96.3	64.1	7.7	24.5	5.0
Argentina	Cerro Moro	241.4	196.7	35.5	9.2	12.2
Guatemala	Escobal	—	—	—	—	0.9
Total Silver Segment		671.4	489.9	78.7	102.8	129.6
Gold Segment:						
Mexico	Dolores	228.9	185.8	134.7	(91.6)	0.7
Peru	Shahuindo	335.0	141.4	50.0	143.6	45.5
	La Arena ⁽²⁾	192.7	112.0	34.1	46.6	17.1
Canada	Timmins	293.4	205.1	32.8	55.5	51.6
Brazil	Jacobina	477.7	192.3	120.8	164.6	64.3
Chile	El Peñon	397.7	217.2	75.1	105.4	36.9
	Minera Florida	222.1	155.0	35.2	31.9	21.7
Total Gold Segment		2,147.5	1,208.8	482.7	456.0	237.8
Other segment:						
Canada	Corporate	—	—	8.6	(8.6)	5.2
	Other	—	—	1.7	(1.7)	1.0
Total		\$ 2,818.9	\$ 1,698.7	\$ 571.7	\$ 548.5	\$ 373.6

(1) Includes payments for mineral properties, plant and equipment and payment of equipment leases.

(2) La Arena was sold on December 2, 2024.

For the year ended December 31, 2023

Segment/ Country	Operation	Revenue	Production costs and royalties	Depreciation	Mine operating earnings (losses)	Capital expenditures ⁽¹⁾
Silver Segment:						
Mexico	La Colorada	\$ 122.5	\$ 128.1	\$ 22.1	\$ (27.7)	\$ 63.9
Peru	Huaron	145.4	105.2	12.9	27.3	36.2
	Morococha ⁽²⁾	—	—	—	—	2.1
Bolivia	San Vicente	91.5	69.8	9.5	12.2	3.8
Argentina	Manantial Espejo ⁽²⁾	37.7	32.4	2.0	3.3	0.2
	Cerro Moro	214.1	160.7	23.1	30.3	25.4
Guatemala	Escobal	—	—	—	—	2.1
Total Silver Segment		611.2	496.2	69.6	45.4	133.7
Gold Segment:						
Mexico	Dolores	267.5	132.6	114.3	20.6	8.7
Peru	Shahuindo	284.7	143.7	45.3	95.7	57.1
	La Arena	190.2	122.4	32.4	35.4	21.2
Canada	Timmins	260.6	201.4	39.8	19.4	46.9
Brazil	Jacobina	287.5	129.9	86.9	70.7	69.9
Chile	El Peñon	259.4	184.2	54.2	21.0	18.6
	Minera Florida	154.8	124.7	33.3	(3.2)	22.3
Total Gold Segment		1,704.7	1,038.9	406.2	259.6	244.7
Other segment:						
Canada	Corporate	0.2	—	6.2	(6.0)	6.0
Argentina	MARA ⁽²⁾	—	—	0.1	(0.1)	35.9
	Other	—	—	2.1	(2.1)	2.7
Total		\$ 2,316.1	\$ 1,535.1	\$ 484.2	\$ 296.8	\$ 423.0

(1) Includes payments for mineral properties, plant and equipment and payment of equipment leases.

(2) Manantial Espejo was placed on care and maintenance in January 2023. Morococha and MARA were sold in September 2023.

At December 31, 2024

Segment/Country	Operation	Assets	Liabilities	Net assets
Silver Segment:				
Mexico	La Colorada	\$ 470.8	\$ 52.7	\$ 418.1
Peru	Huaron	231.5	96.3	135.2
Bolivia	San Vicente	125.0	64.5	60.5
Argentina	Manantial Espejo ⁽¹⁾	2.1	26.4	(24.3)
Guatemala	Escobal	296.1	18.5	277.6
Argentina	Cerro Moro	225.9	112.3	113.6
Total Silver Segment		1,351.4	370.7	980.7
Gold Segment:				
Mexico	Dolores	193.4	169.6	23.8
Peru	Shahuindo	625.9	211.6	414.3
Canada	Timmins	418.1	84.4	333.7
Brazil	Jacobina	2,436.5	444.2	1,992.3
Chile	El Peñon	732.2	198.5	533.7
	Minera Florida	242.4	122.2	120.2
Total Gold Segment		4,648.5	1,230.5	3,418.0
Other segment:				
Canada	Corporate	820.0	789.9	30.1
Argentina	Navidad	192.6	13.3	179.3
	Other	190.2	81.7	108.5
Total		\$ 7,202.7	\$ 2,486.1	\$ 4,716.6

(1) Manantial Espejo was placed on care and maintenance in January 2023.

At December 31, 2023

Segment/Country	Operation	Assets	Liabilities	Net assets
Silver Segment:				
Mexico	La Colorada	\$ 428.0	\$ 43.8	\$ 384.2
Peru	Huaron	149.5	61.0	88.5
Bolivia	San Vicente	78.6	45.0	33.6
Argentina	Manantial Espejo ⁽¹⁾	2.2	18.5	(16.3)
	Cerro Moro	208.2	104.0	104.2
Guatemala	Escobal	290.0	16.4	273.6
Total Silver Segment		1,156.5	288.7	867.8
Gold Segment:				
Mexico	Dolores	372.5	141.7	230.8
Peru	Shahuindo	604.0	178.2	425.8
	La Arena	383.7	156.6	227.1
Canada	Timmins	395.1	78.5	316.6
Brazil	Jacobina	2,508.2	437.5	2,070.7
Chile	El Peñon	776.0	205.6	570.4
	Minera Florida	219.6	103.7	115.9
Total Gold Segment		5,259.1	1,301.8	3,957.3
Other segment:				
Canada	Corporate	438.4	750.2	(311.8)
Argentina	Navidad	192.1	14.3	177.8
	Other	167.0	85.6	81.4
		\$ 7,213.1	\$ 2,440.6	\$ 4,772.5

(1) Manantial Espejo was placed on care and maintenance in January 2023.

Product Revenue	2024	2023
Refined silver and gold	\$ 2,369.1	\$ 1,954.4
Zinc concentrate	101.3	83.2
Lead concentrate	201.8	163.5
Copper concentrate	71.7	54.6
Silver concentrate	75.0	60.4
Total	\$ 2,818.9	\$ 2,316.1

The Company has 25 customers that account for 100% of the concentrate and silver and gold sales revenue. The Company has 3 customers that accounted for 25%, 20% and 17% of total sales in 2024, and 3 customers that accounted for 21%, 21% and 12% of total sales in 2023. The loss of certain of these customers or curtailment of purchases by such customers could have a material adverse effect on the Company's financial performance, financial position, and cash flows.

29. INCOME TAXES

Components of Income Tax Expense

	2024	2023
Current tax expense (recovery)		
Recognized in profit or loss in current year	\$ 245.3	\$ 132.7
Adjustments recognized in the current year with respect to prior years	46.0	0.2
	291.3	132.9
Deferred tax expense (recovery)		
Deferred tax expense (recovery) recognized in the current year	42.4	(101.7)
Adjustments recognized in the current year with respect to prior years	(2.4)	3.4
Impact of tax rate changes	0.5	—
Derecognition of previously recognized deferred tax assets	18.3	3.7
Benefit from previously unrecognized losses, and other temporary differences	(12.9)	—
Impact of impairments on deferred tax assets and liabilities	—	(3.4)
Increase (decrease) in deferred tax liabilities due to tax impact of net realizable adjustments to inventories	(18.2)	11.2
	27.7	(86.8)
Income tax expense	\$ 319.0	\$ 46.1

Reconciliation of Effective Income Tax Rate

	2024	2023
Earnings (loss) before taxes and non-controlling interest	\$ 431.7	\$ (58.8)
Statutory Canadian income tax rate	27.00 %	27.00 %
Income tax expense (recovery) based on above rates	\$ 116.6	\$ (15.9)
Increase (decrease) due to:		
Non-deductible expenditures	13.8	3.2
Foreign tax rate differences	(18.7)	2.7
Change in net deferred tax assets not recognized	34.8	66.3
Effect of other taxes paid (mining and withholding)	45.7	22.1
Effect of foreign exchange on tax expense	71.1	(36.0)
Non-taxable impact of foreign exchange	(6.8)	3.8
Change in non-deductible portion of reclamation liabilities	20.5	1.9
Change in income tax expense related to prior years	40.5	—
Changes to opening temporary differences	7.7	3.9
Impact of inflation	(4.6)	(7.4)
Other	(1.6)	1.5
Income tax expense	\$ 319.0	\$ 46.1

Income tax expense differs from the amounts that would result from applying the Canadian federal and provincial income tax rates to earnings before income tax. These differences result from the items shown on the table above, which result in an income tax expense that varies considerably from the comparable period. The factors that have affected the effective tax rate for the year ended December 31, 2024 and the comparable period of 2023 were changes in the recognition of certain deferred tax assets (primarily related to the prior year's impairment of Morococha and the Shahuindo plant), foreign exchange fluctuations, mining taxes paid, and withholding taxes on payments from foreign subsidiaries.

In October 2024, the Company reached a conclusive agreement with the Mexican tax authorities (the "SAT") to resolve specific disputed items related to income tax filings for the years 2016 through 2022 which were identified upon completion of certain SAT audits (the "Settlement"). As a result, \$45.9 million, including \$16.3 million in interest charges, was paid to the SAT in October 2024. During the year ended December 31, 2024, the Company recorded a \$40.5 million income tax expense, net of a \$5.4 million deferred income tax recovery relating to certain deductible items. The Company did not incur any penalties in connection with the Settlement.

Continuity of deferred tax assets and liabilities

The following is the analysis of the deferred tax assets (liabilities) presented in the Consolidated Financial Statements:

	2024	2023
Net deferred tax liabilities, beginning of year	\$ (461.2)	\$ (84.4)
Recognized in net earnings in the year	(27.7)	86.8
Initial deferred tax liability associated with the Yamana Acquisition (Note 8)	—	(881.2)
Disposition of mining properties (Note 9)	11.7	419.3
Recognized in other comprehensive income (loss) in year ⁽¹⁾	—	(0.5)
Other	—	(1.2)
Net deferred liabilities, end of year	(477.2)	(461.2)
Deferred tax assets	44.5	80.4
Deferred tax liabilities	(521.7)	(541.6)
Net deferred tax liabilities	\$ (477.2)	\$ (461.2)

(1) Deferred tax impact related to unrealized loss on long-term investment (see Note 10(c)).

Components of deferred tax assets and liabilities

The deferred tax assets (liabilities) are comprised of the various temporary differences, as detailed below:

	2024	2023
Deferred tax assets (liabilities) arising from:		
Closure and decommissioning costs	\$ 13.1	\$ 33.9
Tax losses, resource pools and mining tax credits	109.4	84.6
Mineral properties, plant, and equipment	(630.1)	(636.0)
Other temporary differences and provisions	30.4	56.3
Net deferred tax liabilities	\$ (477.2)	\$ (461.2)

At December 31, 2024, the net deferred tax liabilities above included the deferred tax assets of \$109.4 million, which includes the benefits from tax losses (\$52.0 million) and resource pools (\$57.4 million). The increase in these deferred tax assets was mainly due to the recognition of previously unbenefited tax attributes for Minera Florida, and to offset the deferred tax liability generated by the net smelter return that was received as consideration on the sale of La Arena. These losses will begin to expire after the 2026 year-end, if unused.

At December 31, 2023, the net deferred tax liabilities above included the deferred tax asset of \$84.6 million, which includes the benefits from tax losses (\$34.8 million) and resource pools (\$49.8 million). An insignificant amount of the losses expired at the end of the 2024 year-end (\$0.4 million), with the majority of the losses set to expire after the 2026 year-end, if unused.

Unrecognized deductible temporary differences, unused tax losses and unused tax credits

Deductible temporary differences, unused tax losses and unused tax credits for which no deferred tax assets have been recognized are attributable to the following:

	2024	2023
Operating tax loss	\$ 1,360.3	\$ 1,236.6
Net capital tax loss	32.2	36.5
Resource pools and other tax credits ⁽¹⁾	135.7	174.7
Mineral properties, plant, and equipment	207.7	314.2
Closure and decommissioning costs	239.6	297.6
Other temporary differences	365.2	211.1
	\$ 2,340.7	\$ 2,270.7

(1) Includes tax credits which will begin to expire after 2027 year end, if unused.

Included in the above amounts are operating tax losses, which if not utilized will expire as follows:

At December 31, 2024

	Canada	US	Peru	Mexico	Barbados	Argentina	Chile	Brazil	Netherlands	Total
2025	\$ —	\$ 2.3	\$ —	\$ 0.2	\$ 4.7	\$ —	\$ —	\$ —	\$ —	\$ 7.2
2026	—	0.4	—	—	2.5	—	—	—	—	2.9
2027 – and after	888.3	115.3	0.6	38.2	25.3	150.5	64.4	59.3	8.3	1,350.2
Total tax losses	\$ 888.3	\$ 118.0	\$ 0.6	\$ 38.4	\$ 32.5	\$ 150.5	\$ 64.4	\$ 59.3	\$ 8.3	\$ 1,360.3

At December 31, 2023

	Canada	US	Peru	Mexico	Barbados	Argentina	Chile	Brazil	Netherlands	Total
2024	\$ —	\$ 15.5	\$ 0.3	\$ 0.3	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 16.1
2025	—	9.7	—	0.6	4.7	5.4	—	—	—	20.4
2026 – and after	695.2	146.1	0.4	2.2	20.9	95.1	146.6	88.2	5.4	1,200.1
Total tax losses	\$ 695.2	\$ 171.3	\$ 0.7	\$ 3.1	\$ 25.6	\$ 100.5	\$ 146.6	\$ 88.2	\$ 5.4	\$ 1,236.6

30. CONTINGENCIES

The Company is, from time to time, subject to various claims, demands, audits and other proceedings covering matters that arise in the ordinary course of business activities. Such claims and other proceedings often relate to labour, tax, environmental, title, or commercial matters. Each of these matters is subject to uncertainties and it is possible that some of these matters may be resolved unfavorably to the Company and have a financial or operational impact. In this respect, certain conditions may exist as at December 31, 2024 which may result in a loss to the Company. However, the Company believes that none of these matters are expected to have a material effect on the results of operations or financial position of the Company.

Legal Proceedings

The Company is subject to various legal proceedings covering a wide range of matters that arise in the ordinary course of business activities. Many of these claims are from current or ex-employees, or employees of former or current owners of our operations, such as the Quiruvilca-related claims in Peru, which could, in the aggregate, be of significant value. We may also become subject to other civil claims, such as class action lawsuits and commercial disputes. For example, Tahoe became the subject of certain class action lawsuits filed in the United States and Canada in 2017, and ultimately settled these suits in 2024. From time to time, the Company may also be subject to disputes relating to past transactions or which are related to entities or operations previously owned by the Company. The Company has in the past, and continues to, face claims or challenges against title to certain of its surface or mining rights. While we would, where available and appropriate to do so, defend against any such allegations, if we are unsuccessful in our defense of these claims, we may be subject to significant losses or impacts to our operations.

The Company establishes legal provisions for known and potential claims for which payment is probable and can be reliably estimated. The Company also has comprehensive liability insurance coverage; however such insurance does not cover all risks to which we might be exposed and in other cases, may only partially cover losses incurred by the Company.

31. RELATED PARTY TRANSACTIONS

The Company's related parties include its subsidiaries, associates over which it exercises significant influence, and key management personnel. Transactions with the Company's subsidiaries have been eliminated on consolidation.

Compensation of key management personnel

Key management personnel compensation is comprised of:

	2024	2023
Short-term employee benefits ⁽¹⁾	\$ 16.9	\$ 9.9
Post-employment benefits ⁽²⁾	1.8	1.3
Share-based payments ⁽³⁾	1.0	4.4
	\$ 19.7	\$ 15.6

(1) Includes annual salary and short-term incentives, RSUs, and PSUs paid by the Company.

(2) Includes annual contributions to retirement savings plans made by the Company.

(3) Includes annual stock option and compensation shares.

Cautionary Note

Non-GAAP Measures

This Annual Report of Pan American Silver Corp. and its subsidiaries (collectively, "Pan American", "Pan American Silver", the "Company", "we" or "our") refers to non-GAAP measures, including but not limited to, all-in sustaining costs ("AISC"), "Cash Costs", "free cash flow", adjusted earnings and basic adjusted earnings per share. These measures do not have a standardized meaning prescribed by International Financial Reporting Standards as an indicator of performance, and may differ from methods used by other companies. Readers should refer to the "Alternative Performance (Non-GAAP) Measures" section of the Company's Management's Discussion and Analysis for the year ended December 31, 2024, contained in this annual report and available at www.sedarplus.ca, for additional details on these and other non-GAAP measures.

Reporting Currency and Financial Information

Unless we have specified otherwise, all references to dollar amounts or \$ are to United States dollars.

Cautionary Note Regarding Forward-Looking Statements and Information

Certain of the statements and information in this Annual Report constitute "forward-looking statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995 and "forward-looking information" within the meaning of applicable Canadian provincial securities laws. All statements, other than statements of historical fact, are forward-looking statements or information. Forward-looking statements or information in this Annual Report relate to, among other things: opportunities for growth within the Company's existing portfolio, including the La Colorada Skarn project and the Jacobina mine; the anticipated completion of a study related to Jacobina, the timing for providing initial outcomes of the study, and any anticipated benefits to be derived from the study; statements regarding ILO 169 consultation process for the Escobal mine; future financial or operational performance; expectations regarding enhanced ground stability and increased mineral resource recovery at our Timmins operation following the completion of a paste backfill plant at the Bell Creek mine; benefits associated with the completion of the ventilation project at La Colorada; statements regarding continued growth and strategic initiatives; and Pan American's plans and expectations for its properties and operations.

These forward-looking statements and information reflect Pan American's current views with respect to future events and are necessarily based upon a number of assumptions that, while considered reasonable by Pan American, are inherently subject to significant operational, business, economic and regulatory uncertainties and contingencies. These assumptions include: the impact of inflation and disruptions to the global, regional and local supply chains;

tonnage of ore to be mined and processed; future anticipated prices for gold, silver and other metals and assumed foreign exchange rates; the timing and impact of planned capital expenditure projects, including anticipated sustaining, project, and exploration expenditures; the ongoing impact and timing of the court-mandated ILO 169 consultation process in Guatemala; ore grades and recoveries; capital, decommissioning and reclamation estimates; our mineral reserve and mineral resource estimates and the assumptions upon which they are based; prices for energy inputs, labour, materials, supplies and services (including transportation); no labour-related disruptions at any of our operations; no unplanned delays or interruptions in scheduled production; all necessary permits, licenses and regulatory approvals for our operations are received in a timely manner; our ability to secure and maintain title and ownership to mineral properties and the surface rights necessary for our operations; whether Pan American is able to maintain a strong financial condition and have sufficient capital, or have access to capital through our credit facility or otherwise, to sustain our business and operations; and our ability to comply with environmental, health and safety laws. The foregoing list of assumptions is not exhaustive.

Pan American cautions the reader that forward-looking statements and information involve known and unknown risks, uncertainties and other factors that may cause actual results and developments to differ materially from those expressed or implied by such forward-looking statements or information contained in this Annual Report and Pan American has made assumptions and estimates based on or related to many of these factors. Such factors include, without limitation: the duration and effect of local and world-wide inflationary pressures and the potential for economic recessions; fluctuations in silver, gold and base metal prices; fluctuations in prices for energy inputs, labour, materials, supplies and services (including transportation); fluctuations in currency markets; operational risks and hazards inherent with the business of mining (including environmental accidents and hazards, industrial accidents, equipment breakdown, unusual or unexpected geological or structural formations, cave-ins, flooding and severe weather); risks relating to the credit worthiness or financial condition of suppliers, refiners and other parties with whom Pan American does business; inadequate insurance, or inability to obtain insurance, to cover these risks and hazards; employee relations; relationships with, and claims by, local communities and indigenous populations; our ability to obtain all necessary permits, licenses and regulatory approvals in a timely manner; changes in laws, regulations and government practices in the jurisdictions where we operate, including environmental, export and import laws and regulations; changes in national and local government, legislation, taxation, controls or regulations and political, legal or economic developments in countries where Pan American carries on business, including legal restrictions relating to mining, risks relating to expropriation and risks relating to the constitutional

court-mandated ILO 169 consultation process in Guatemala; diminishing quantities or grades of mineral reserves as properties are mined; increased competition in the mining industry for equipment and qualified personnel; those factors identified under the caption "Risks Related to Our Business" in Pan American's most recent Form 40-F and Annual Information Form filed with the United States Securities and Exchange Commission ("SEC") and Canadian provincial securities regulatory authorities, respectively. Although Pan American has attempted to identify important factors that could cause actual results to differ materially, there may be other factors that cause results not to be as anticipated, estimated, described or intended. Investors are cautioned against undue reliance on forward-looking statements or information. Forward-looking statements and information are designed to help readers understand management's current views of our near- and longer-term prospects and may not be appropriate for other purposes. Pan American does not intend, nor does it assume any obligation to update or revise forward-looking statements or information, whether as a result of new information, changes in assumptions, future events or otherwise, except to the extent required by applicable law.

Technical Information

Scientific and technical information contained in this Annual Report has been reviewed and approved by Martin Wafforn, P.Eng., Senior Vice President Technical Services & Process Optimization, and Christopher Emerson, FAusIMM., Senior Vice President of Exploration and Geology, each of whom is a Qualified Person for the purposes of National Instrument 43-101 - Standards of Disclosure for Mineral Projects ("NI 43-101"). Pan American Silver Corp. is authorized by The Association of Professional Engineers and Geoscientists of the Province of British Columbia to engage in Reserved Practice under Permit to Practice number 1001470.

For additional information regarding Pan American Silver's material mineral properties, please refer to Pan American Silver's most recent Annual Information Form, filed at www.sedarplus.ca, or Pan American Silver's most recent Form 40-F filed with the SEC. These documents include detailed information concerning associated QA/QC and data verification matters, the key assumptions, parameters and methods used to estimate mineral reserves and mineral resources, and a detailed description of known legal, political, environmental, and other risks that could materially affect the Company's business and the potential development of the Company's mineral reserves and mineral resources.

Cautionary Note to U.S. Investors Concerning Estimates of Mineral Reserves and Mineral Resources

Unless otherwise indicated, all reserve and resource estimates included in this Annual Report have been prepared in accordance with Canadian NI 43-101 and the Canadian Institute of Mining, Metallurgy and Petroleum (the "CIM") — CIM Definition Standards on Mineral Resources and Mineral Reserves, adopted by the CIM Council, as amended (the "CIM Standards"). NI 43-101 is a rule developed by the Canadian Securities Administrators that establishes standards for all public disclosure an issuer makes of

scientific and technical information concerning mineral projects. Canadian standards, including NI 43-101, differ significantly from the requirements of the SEC, and reserve and resource information included herein may not be comparable to similar information disclosed by U.S. companies. In particular, and without limiting the generality of the foregoing, this presentation uses the terms "measured resources," "indicated resources" and "inferred resources" as defined in accordance with NI 43-101 and the CIM Standards. U.S. investors are advised that, while such terms are recognized and required by Canadian securities laws, the SEC does not recognize them. The requirements of NI 43-101 for identification of "reserves" are not the same as those of the SEC and may not qualify as "reserves" under SEC standards. Under U.S. standards, mineralization may not be classified as a "reserve" unless the determination has been made that the mineralization could be economically and legally produced or extracted at the time the reserve determination is made. U.S. investors are cautioned not to assume that any part of an "indicated resource" will ever be converted into a "reserve". U.S. investors should also understand that "inferred mineral resources" have a great amount of uncertainty as to their existence and great uncertainty as to their economic and legal feasibility. It cannot be assumed that all or any part of "inferred resources" exist, are economically or legally mineable or will ever be upgraded to a higher category. Under Canadian securities laws, estimated "inferred mineral resources" may not form the basis of feasibility or pre-feasibility studies except in rare cases.

All trade names, trademarks, and logos displayed in this Annual Report that are not owned by Pan American Silver are the property of their respective owners.

Shareholder Information

CORPORATE OFFICE

Vancouver Centre II
2100-733 Seymour Street
Vancouver, BC
Canada V6B 0S6
604-684-1175
info@panamericansilver.com

BOARD OF DIRECTORS

(As at December 31, 2024)

Gillian Winckler⁽⁵⁾ – *Chair*
John Begeman^(3,4) – *Director*
Neil de Gelder^(1,3) – *Director*
Chantal Gosselin^(1,4) – *Director*
Charles Jeannes^(2,3) – *Director*
Kimberly Keating^(2,4) – *Director*
Jennifer Maki^(1,5) – *Director*
Kathleen Sendall^(2,5) – *Director*
Michael Steinmann – *Director*

Notes:

- (1) Member of the Audit Committee.
- (2) Member of the Human Resources and Compensation Committee.
- (3) Member of the Nominating and Governance Committee.
- (4) Member of the Health, Safety and Environment Committee.
- (5) Member of Communities and Sustainable Development Committee.

EXECUTIVE OFFICERS

(As at December 31, 2024)

Michael Steinmann – *President & Chief Executive Officer*
Steve Busby – *Chief Operating Officer*
Ignacio Couturier – *Chief Financial Officer*
Christopher Lemon – *Chief Legal & Human Resources Officer,*
General Counsel
Brent Bergeron – *SVP, Corporate Affairs & Sustainability*
Scott Campbell – *SVP, Operations & Projects*
Ibtissam (Sam) Drier – *SVP, Business Development*
Christopher Emerson – *VP, Exploration & Geology*
Delaney Fisher – *SVP, Associate General Counsel & Corporate Secretary*
Sean McAleer – *SVP, Strategic Initiatives*
Cameron Paterson – *SVP, Finance and IT*
Martin Wafforn – *SVP, Technical Services & Process Optimization*

AUDITORS

Deloitte LLP, Chartered
Professional Accountants
2800 – 1055 Dunsmuir Street
Vancouver, BC
Canada V7X 1P4

EXTERNAL LEGAL COUNSEL

Borden Ladner Gervais LLP
1200 – 200 Burrard Street
Vancouver, BC
Canada V7X 1T2

SHAREHOLDER SERVICES

For information regarding your shareholdings, dividend payments, or to change your address etc., please contact Computershare Investor Services Inc. If your shares are held by a broker, please contact your broker.

REGISTRAR AND TRANSFER AGENT

Computershare Investor Services Inc.
510 Burrard Street, 3rd Floor
Vancouver, BC V6C 3B9
100 University Avenue, 8th Floor
Toronto, ON M5J 2Y1
1-800-564-6253
International: 1-514-982-7555
Broker Queries: 1-888-838-1405
E: service@computershare.com

INVESTOR RELATIONS

Siren Fisekci
VP, Investor Relations & Corporate Communications
T: 604-684-1175
E: ir@panamericansilver.com

PANAMERICANSILVER.COM

ANNUAL GENERAL AND SPECIAL MEETING

Wednesday, May 7, 2025 – 3:00pm (PST)
1200 Waterfront Centre
200 Burrard Street
Vancouver, BC
Canada V7X 1T2

PAAS: NYSE & TSX

Providing Enhanced Exposure to Silver

Pan American Silver was created with the intention to provide investors with the best vehicle to gain exposure to the silver price. Our vision is to be the world's premier silver producer, with a reputation for excellence in discovery, engineering, innovation, and sustainable development.

WWW.PANAMERICANSILVER.COM

COMMITTED TO LEADING ENVIRONMENTAL, SOCIAL, AND GOVERNANCE (ESG) PERFORMANCE

REPORTING FRAMEWORKS & STANDARDS



MEMBERSHIPS & ASSOCIATIONS

