



This is the 1st Affidavit of
Sandra Daycock in this case and
was made on September 28, 2022

NO. S-227 894
VANCOUVER REGISTRY

IN THE SUPREME COURT OF BRITISH COLUMBIA

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,
R.S.C. 1985, c. C-36, AS AMENDED

AND

IN THE MATTER OF THE *BUSINESS CORPORATIONS ACT*,
S.B.C. 2002, c. 57, AS AMENDED

AND

IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF
GREAT PANTHER MINING LIMITED

PETITIONER

A F F I D A V I T

I, **Sandra Daycock**, businessperson, of 1330 – 200 Granville Street, Vancouver, British Columbia, AFFIRM THAT:

I. INTRODUCTION

1. I am the Chief Financial Officer of the petitioner, Great Panther Mining Limited ("**GPML**"). I am responsible for and have overseen GPML's restructuring efforts to date. I have also reviewed the books and records maintained by GPML, in the ordinary course of business, and as such I have direct knowledge of the information deposed to in this affidavit, except where stated to be on information and belief, in which case I believe such information to be true. I am authorized to make this affidavit on behalf of GPML.

2. This affidavit is made in support of an application by GPML for an initial order (the "**Initial Order**") under the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36 (the "**CCAA**").

II. BUSINESS ORGANIZATION, OPERATIONS, AND MANAGEMENT

Corporate Structure

3. GPML is a Canadian mining company, based in Vancouver, British Columbia, which conducts its operations through a number of directly and indirectly wholly-owned Canadian and foreign subsidiaries. In addition to its foreign operating and non-operating subsidiaries, GPML currently has four non-operating Canadian subsidiaries, which are not petitioners in these proceedings: Great Panther Coboro Holdings Ltd. (“**Coboro Holdings**”), Great Panther Mining (Brazil) Limited (“**GPM Brazil 1**”), Great Panther Mining (Brazil 2) Limited (“**GPM Brazil 2**”), and Great Panther Peru Holdings Ltd. (“**Peru Holdings**”, Coboro Holdings, GPM Brazil 1, GPM Brazil 2, and Peru Holdings are collectively referred to as, the “**Canadian Subsidiaries**”). Attached hereto and marked as **Exhibits “A”, “B”, “C”, “D” and “E”**, respectively, are true copies of the British Columbia corporate registry searches with respect to GPML, Coboro Holdings, GPM Brazil 1, GPM Brazil 2, and Peru Holdings, as at September 27, 2022.

4. GPML is a corporation incorporated pursuant to the laws of the Province of British Columbia, as are each of the Canadian Subsidiaries. The registered office and head office of GPML and each of the Canadian Subsidiaries is located in the City of Vancouver, in the Province of British Columbia.

5. A copy of GPML’s organizational chart, setting out its intercorporate relationships and ownership interests in its subsidiaries within the Group, as well as its indirect ownership interest in a non-subsidiary corporation, Marina Norte Empreendimentos de Mineração S.A., is attached hereto and marked as **Exhibit “F”** to this affidavit. GPML and its subsidiaries are collectively referred to herein as the “**Group**”.

6. A list of the GPML direct and indirect subsidiaries (as discussed in further detail below), along with their jurisdiction of incorporation, is as follows:

- (a) GPML, British Columbia;
- (b) Coboro Holdings, British Columbia;
- (c) GPM Brazil 1, British Columbia;
- (d) GPM Brazil 2, British Columbia;

- (e) Peru Holdings, British Columbia;
 - (f) Mina Tucano Ltda (“**Mina Tucano**”), Brazil;
 - (g) Beadell Resources Pty Ltd. (“**Beadell Resources**”), Australia;
 - (h) Beadell Resources Mineração (Holdings) Ltd (“**Beadell Mineração Holdings**”), British Virgin Islands;
 - (i) Beadell Resources (Holdings) Limited (“**Beadell Holdings**”), British Virgin Islands;
 - (j) Tucano Resources Mineração Ltda. (“**Tucano Resources**”), Brazil;
 - (k) Beadell (Brazil) Pty Ltd. (“**Beadell Brazil 1**”), Australia;
 - (l) Beadell (Brazil 2) Pty Ltd. (“**Beadell Brazil 2**”), Australia;
 - (m) Mineração Serra da Canga Ltda., Brazil (“**Mineração Serra**”), Brazil;
 - (n) Mineração Vale dos Reis Ltda. (“**Mineração Vale**”), Brazil;
 - (o) Great Panther Coricancha S.A. (“**Coricancha S.A.**”), Peru;
 - (p) Great Panther Silver Peru S.A.C. (“**Silver Peru**”), Peru;
 - (q) Coboro Minerales de Mexico, S.A. de C.V. (“**Coboro Minerales**”), Mexico;
 - (r) Metalicos de Durango, S.A. de C.V. (“**Metalicos de Durango**”), Mexico; and,
 - (s) Minera de Villa Seca, S.A. de C.V. (“**Minera de Villa Seca**”), Mexico.
7. The corporate structure is the result of the Group holding three major assets:
- (a) the Tucano Gold Mine (the “**Tucano Mine**”), located in the state of Amapá in northern Brazil, which it acquired on March 5, 2019;
 - (b) the Coricancha Mine Complex (the “**Coricancha Mine**”), located approximately 90 kilometers east of Lima, in the central Andes of Peru, which it acquired on June 30, 2017; and,

- (c) the Guanajuato Mine Complex (“**GMC**”), the Topia Mine, and the El Horcón and Santa Rosa projects (collectively, the “**Mexican Properties**”), all located in Mexico, which were sold effective August 4, 2022 (as discussed below).

Tucano Mine

8. The Group is currently focused on the restructuring of the Tucano Mine. The Tucano Mine is a gold mine producing gold doré, a form of semi-pure gold alloy bars. At present, one hundred percent (100%) of the gold doré produced at the Tucano Mine is transported to Canada and sold to Asahi Refining Canada Ltd. (“**Asahi**”), as described in further detail below. The Tucano Mine site includes a tenement portfolio covering nearly 200,000 hectares in the prospective Vila Nova Greenstone belt, which is solely controlled by GPML, through certain wholly-owned indirect subsidiaries. The mine site is comprised of a series of eight open pit mines, an underground project, a processing plant capable of processing 10,000 tonnes per day, and a tailings storage facility.

9. The direct ownership interests in the Tucano Mine are held by Mina Tucano, a *sociedade limitada* or limited liability company incorporated pursuant to the laws of Brazil. The connection between GPML as ultimate parent and the Tucano Mine is as follows:

- (a) GPML holds one hundred percent (100%) of the issued and outstanding ordinary shares of Beadell Resources, a corporation incorporated pursuant to the laws of Australia;
- (b) GPML holds one hundred percent (100%) of the issued and outstanding shares of Beadell Mineração Holdings and one hundred percent (100%) of the issued and outstanding shares of Beadell Holdings, both corporations incorporated pursuant to the laws of the British Virgin Islands.
 - (i) Beadell Holdings holds approximately 99.999% of the issued and outstanding *quotas* (equivalent to equity interests) of Tucano Resources, a *sociedade limitada* (limited liability company) incorporated pursuant to the laws of Brazil;
 - (ii) Beadell Mineração Holdings holds approximately 0.001% of the issued and outstanding *quotas* (equivalent to equity interests) of Tucano Resources;

- (iii) Tucano Resources owns 0.005% of the issued and outstanding quotas of Mineração Serra and approximately 0.001% of the issued and outstanding quotas of Mineração Vale, both *sociedades limitadas* (limited liability companies) incorporated pursuant to the laws of Brazil;
- (c) Beadell Resources holds one hundred percent (100%) of the issued and outstanding ordinary shares of Beadell Brazil 1 and Beadell Brazil 2, each of which is a corporation incorporated pursuant to the laws of Australia;
 - (i) Beadell Brazil 1 holds approximately 99.999% of the issued and outstanding *quotas* (equivalent to equity interests) of Mina Tucano, which are the only assets of Beadell Brazil 1;
 - (ii) Beadell Brazil 2 holds approximately 0.001% of the issued and outstanding *quotas* (equivalent to equity interests) of Mina Tucano, which are the only assets of Beadell Brazil 2;
 - (iii) Mina Tucano holds 99.995% of the issued and outstanding *quotas* (equivalent to equity interests) of Mineração Serra; and,
 - (iv) Mina Tucano holds approximately 99.999% of the issued and outstanding *quotas* (equivalent to equity interests) of Mineração Vale.

Coricancha Mine

10. The direct ownership interests in the Coricancha Mine are held by Great Panther Coricancha S.A., a *sociedad anónima* or joint stock corporation incorporated pursuant to the laws of Peru. The connection between GPML as ultimate parent and the Coricancha Mine is as follows:

- (a) GPML holds 40,752,584 (being approximately 99.999%) of the issued and outstanding common shares of Silver Peru, a *sociedad anónima cerrada* or closed private corporation incorporated pursuant to the laws of Peru;
- (b) Peru Holdings holds 1 (being approximately 0.001%) of the issued and outstanding common shares of Silver Peru;

- (c) Silver Peru holds 369,425,438 (being approximately 99.999%) of the issued and outstanding common shares of Coricancha S.A.; and,
- (d) Peru Holdings holds 1 (being approximately 0.001%) of the issued and outstanding common shares of Coricancha S.A.

Other Subsidiaries

11. The remaining Canadian Subsidiaries, other than Peru Holdings, are as follows:

- (a) as discussed in paragraph 12, below, Coboro Holdings is a holding company which holds interests in the Mexican subsidiary, Coboro Minerales. Coboro Minerales holds certain active mineral rights in Mexico; and,
- (b) GPM Brazil 1 and GPM Brazil 2 are shell companies which were incorporated in connection with a planned restructuring that was never completed. GPM Brazil 1 and GPM Brazil 2 have never had active operations.

12. GPML also owns the following foreign subsidiaries, which likewise have only minimal assets and operations and are related to historical investments:

- (a) Coboro Holdings holds 49,999 fixed common shares of Coboro Minerales, a *sociedad anonima de capital variable* incorporated pursuant to the laws of Mexico, as well as 3,000,000 variable common shares of Coboro Minerales;
- (b) GPML holds 1 fixed common share of Coboro Minerales, being the only issued and outstanding fixed common share of Coboro Minerales, other than the shares held by Coboro Holdings;
- (c) GPML holds ninety-nine percent (99%) of the fixed common shares of Metalicos de Durango, a *sociedad anonima de capital variable* incorporated pursuant to the laws of Mexico. The remaining one percent (1%) of the fixed common shares of Metalicos de Durango are held by Rob Henderson, a former chief executive officer of GPML; and,
- (d) GPML holds ninety-nine percent (99%) of the fixed common shares of Minera de Villa Seca, a *sociedad anonima de capital variable* incorporated pursuant to the laws of Mexico. The remaining one percent (1%) of the fixed common shares of

Minera de Villa Seca are held by Rob Henderson. GPML also holds 99.999% of the variable shares of Minera de Villa Seca, and the remaining 0.001% of the variable shares of Minera de Villa Seca are held by Rob Henderson.

Public Listing and Securities Matters

13. GPML is a publicly traded company and a reporting issuer in every province except Quebec, with shares which until recently were traded on the Toronto Stock Exchange (“**TSX**”) under the symbol “GPR”, and on the NYSE American LLC exchange (“**NYSE-A**”) under the symbol “GPL”. As a reporting issuer in Canada, GPML posts detailed information on its business operations, including financial information, on the System for Electronic Document Analysis and Retrieval (“**SEDAR**”). SEDAR may be accessed at www.sedar.com. As a U.S. registrant, GPML files copies of its SEDAR filings with the U.S. Securities and Exchange Commission (“**SEC**”) on the SEC’s Electronic Data Gathering, Analysis and Retrieval system (“**EDGAR**”). EDGAR may be accessed at www.sec.gov.

14. On September 6, 2022 (the “**Filing Date**”), as a result of GPML filing a notice of intention to make a proposal (the “**NOI**”) under the *Bankruptcy and Insolvency Act* (Canada) (the “**BIA**”, and discussed in greater detail below), the TSX suspended trading of GPML’s common shares and advised GPML that a delisting review would be required by the TSX. The TSX completed its delisting review on September 26, 2022 and determined to delist GPML’s common shares on October 27, 2022. Trading in GPML’s common shares will remain suspended pending delisting. A true copy of the NOI is attached hereto and marked as **Exhibit “G”** to this affidavit.

15. On the Filing Date, GPML also received notice that the NYSE-A had determined to commence proceedings to delist GPML’s common shares from the NYSE-A. The NYSE-A notified GPML that it no longer complied with the continued listing standards set forth in the NYSE American Company Guide. GPML elected not to appeal the delisting determination within seven calendar days; therefore, NYSE-A announced on September 13, 2022 that it would suspend trading in the common shares. The NYSE-A filed a delisting application with the SEC on September 14, 2022 and the delisting was effective ten days thereafter. Following the NYSE-A’s announcement that GPML’s common shares would be de-listed, the shares were quoted for trading on the OTC Pink operated by the OTC Markets Group Inc.

16. A true copy of GPML's most recent Management Discussion and Analysis, for the three and six months ended June 30, 2022, as filed on SEDAR, is attached hereto and marked as **Exhibit "H"** to this affidavit.

17. A true copy of GPML's most recent Annual Information Form, for the year ended December 31, 2021, as filed on SEDAR, is attached hereto and marked as **Exhibit "I"** to this affidavit.

18. Unless otherwise noted, all references to monetary amounts in this affidavit are in United States dollars ("**USD**"), which is the reporting currency of the Group. Specifically, certain amounts are identified as being denominated in Brazilian reals ("**BRL**") or Canadian dollars ("**CAD**").

III. OVERVIEW OF MINING OPERATIONS AND PROJECTS

Brazil (Tucano Mine)

19. GPML acquired its wholly owned interest in the Tucano Mine through the acquisition of 100% of the issued and outstanding ordinary shares of Beadell Resources, which was completed on March 5, 2019, by way of a Scheme of Arrangement under the *Corporations Act 2001* (Australia). Upon completion of the transaction, GPML changed its name from "Great Panther Silver Limited" to its current name, "Great Panther Mining Limited".

20. Primary mining activities at the Tucano Mine are conducted by third-party mining contractors. From the acquisition of the Tucano Mine until early 2022, the sole third-party mining contractor at the Tucano Mine was U&M Mineração e Construção S.A. ("**U&M**"). A replacement contractor ("**MINAX**") was retained in January 2022, with both contractors initially working concurrently in separate pits.

Asahi Agreements

21. Pursuant to the Refining Agreement NO: BC-2018/10/13, dated July 1, 2019, as amended by amending agreements dated as of December 19, 2019, December 16, 2020, September 20, 2021, and September 23, 2022 (collectively, the "**Refining Agreement**"), between Asahi, as refiner, and GPML, as customer, GPML agreed to deliver 100% of the gold doré produced at the Tucano Mine to Asahi for refining. The Refining Agreement was originally entered into for a term of one (1) year and is extended on a yearly basis.

22. In September 2021, GPML entered into the Gold Prepayment Agreement, dated September 20, 2021 (the “**Prepayment Agreement**”), between GPML, as seller, Asahi, as buyer, and Mina Tucano, as operating company. Pursuant to the Prepayment Agreement, Asahi advanced a \$20 million advance (the “**Asahi Advance**”) in consideration for the equivalent value in gold, to be delivered over a 12-month period in installments of equal value commencing in April 2022. The prepaid gold is sold at a 0.5% discount to the spot price of gold at the time of delivery and is used to offset repayments of the Asahi Advance (additional gold delivered to Asahi, which is not prepaid, is not sold at a discount). The agreement also provides exclusivity on refining and gold sales for 100% of the remaining production of the Tucano Mine during the term of the Prepayment Agreement.

23. Among other things, pursuant to the Prepayment Agreement:

- (a) Asahi made the Asahi Advance available to GPML, as a prepayment facility in the amount of \$20 million, to be satisfied by offsetting the Asahi Advance against future gold deliveries, or alternatively by cash settlement, equal to \$1,666,666.67 per month, commencing in April 2022 and ending in March 2023;
- (b) GPML agreed to cause Beadell Brazil 1 and Beadell Brazil 2 to execute a pledge of one hundred percent of the *quotas* (equivalent to equity interests) in Mina Tucano, as security for the repayment of the Asahi Advance. This step was completed pursuant to the Quota Pledge Agreement, dated as of September 20, 2021, between Asahi, as pledgee, Beadell Brazil 1 and Beadell Brazil 2, as quotaholders, and Mina Tucano, as intervening party (the “**Quota Pledge Agreement**”);
- (c) GPML agreed to sell, on an exclusive basis, one hundred percent (100%) of gold doré produced at the Tucano Mine to Asahi, at the London Bullion Market Association (“**LBMA**”) spot price less point five percent (0.50%) for prepaid gold, and otherwise at the LBMA spot price; and,
- (d) GPML agreed to pay interest to Asahi on the outstanding principal at the rate of LIBOR plus 4.75% per annum.

24. The Prepayment Agreement is governed by the laws of the Province of Ontario. The Quota Pledge Agreement is governed by the laws of the Federative Republic of Brazil. The

events of default under the Quota Pledge Agreement include, among others, if any insolvency proceeding is instituted by or against GPML, the occurrence of an event of default under the Prepayment Agreement, or a material breach of the Refining Agreement. Upon an event of default under the Quota Pledge Agreement, Asahi is entitled to take certain enforcement actions with respect to the *quotas* (equivalent to equity interests) in Mina Tucano.

Environmental Matters

25. The main operating permit for the Tucano Mine expired on November 9, 2021, but the permit remains valid until the completion of the ordinary course renewal process. On November 8, 2021, GPML received a letter from the applicable regulatory authority for the Tucano Mine, the Amapá State Environmental Agency (“**SEMA**”), confirming that GPML’s renewal request complied with the requisite application process, and the permit was officially extended from November 9, 2021 until completion of the renewal process. In addition, Mina Tucano is preparing a series of reports required to maintain its exploration permits in good standing. Seven (7) reports must be submitted by the end of this year, which are currently in progress.

26. Mina Tucano is also a defendant in various lawsuits and legal actions in Brazil relating to environmental matters. Most recently, on December 21, 2021, SEMA delivered three Notices of Infraction to Mina Tucano (collectively, the “**SEMA Notices**”). The SEMA Notices were issued in connection with a fish mortality event at the Areia and Silvestre Creeks located in Amapá. SEMA asserts that the incident was caused by a leak in a reclaimed water pipe at the Tucano Mine, and the aggregate fine imposed under the SEMA Notices is BRL\$50 million (approximately \$9.5 million as at June 30, 2022). Mina Tucano has filed a defence, asserting in part that there is no causal connection between the incident and operations at the Tucano Mine, and has applied for cancellation of the SEMA Notices. The corresponding regulatory proceedings are ongoing.

Peru (Coricancha Mine)

27. GPML acquired its wholly owned interest in the Coricancha Mine by acquiring, through a subsidiary, all issued and outstanding shares of Coricancha S.A. (then named Nyrstar Coricancha S.A.), which was completed effective June 30, 2017, by way of a share purchase agreement (the “**Coricancha Purchase Agreement**”). Coricancha S.A. was formerly an indirect subsidiary of Nyrstar N.V. (“**Nyrstar**”). The Coricancha Mine is a past producing mine which has

historically produced mineral concentrates which include gold, silver, copper, lead, and zinc. The mine was initially placed on care and maintenance by its previous owners in August 2013.

28. A proposed modified mine closure plan (the “**Proposed Modified Mine Closure Plan**”) was initially submitted in 2016, prior to GPML obtaining an interest in the Coricancha Mine. GPML, as successor to the Nyrstar Parties (as defined below), sought approval from the Ministerio de Energía y Minas (“**MEM**”) of Peru with respect to a modification to the existing remediation plan, in accordance with the recommendations of an independent consultant, SRK Consulting (Canada) Inc. (“**SRK**”), which recommended that *in situ* reclamation is preferable from a technical perspective to preserve the stability of nearby areas. GPML has changed the scheduling of the ongoing remediation efforts pending a decision from the MEM regarding the Proposed Modified Mine Closure Plan. The MEM’s review and ultimate approval has been delayed for many years. Based upon my discussions with the Group’s senior management, including the current and prior chief executive officers, our view is that the delay is primarily a result of the unsettled political environment in Peru. For instance, there have been numerous changes in the MEM leadership over recent years, and the treatment of tailings is a politically sensitive issue.

29. In July 2018, the Group filed a Preliminary Economic Assessment (“**PEA**”), which outlined the potential for three million silver equivalent ounces annual production at the Coricancha Mine. In June 2019, a bulk sampling program (the “**BSP**”) was completed, which confirmed the key operating assumptions contained in the PEA. Under the BSP, a total of 5,089 tonnes of mineralized material was mined from formations known as the Constancia and Escondida veins and processed on-site through the plant. The BSP produced a total of 15,561 ounces of silver, 303 ounces of gold, 107,319 pounds of lead and 99,889 pounds of zinc through the production of zinc and lead concentrates, the majority of which was sold in the third quarter of 2019.

30. In the fourth quarter of 2019, in light of the promising outcomes of the PEA and BSP, a limited mining and processing campaign was commenced at the Coricancha Mine, producing approximately 27,680 tonnes of ore. However, the program was suspended in the first quarter of 2020 concurrently with the start of the COVID-19 pandemic. The program resumed in the fourth quarter of 2020, processing ore into concentrates which were subsequently sold. Upon completion of the initial mining program, Coricancha Mine remained on care and maintenance to preserve its value while the Group evaluated its options.

31. The Group completed further exploration efforts in 2021 which also showed promising results in the Escondida vein, however reaching a positive investment decision with respect to recommencing operations was challenging for a number of reasons, including:

- (a) the political situation in Peru had become increasingly unsettled, particularly since 2021, with multiple cabinets having been appointed in rapid succession and the government generally viewed as unfriendly towards investment and resulting in a lack of clear direction on the Proposed Modified Mine Closure Plan;
- (b) in May 2021, Coricancha S.A. received a notice from the Peruvian tax authority (“**SUNAT**”) that SUNAT intends to hold Coricancha S.A. jointly liable with respect to the unpaid taxes of a leasing company that sold the Coricancha Mine to Coricancha S.A. (formerly Compañía Minera San Juan S.A.) in March 2006, prior to the Group’s acquisition of the Coricancha Mine effective June 30, 2017. The SUNAT claim is for unpaid taxes and related fines of the leasing company, which is not an affiliate of the Group, from its 2001 tax year, together with related fines. The amount claimed is approximately \$20.0 million. The Group believes that the probability of the claim resulting in liability for Coricancha S.A. is remote. However, the Group expects legal processes to take several years to reach a conclusion, and this has added legal cost and uncertainty to the asset; and,
- (c) in August 2021, the Peruvian government passed a law which would increase the closure bond requirements to include progressive closure costs. Final regulations have not yet been published.

32. Given the above-mentioned uncertainties and a desire to focus capital deployment on the Tucano Mine, since 2021 the Group has engaged in an ongoing attempt to market and sell the Coricancha Mine. That said, political uncertainty has made the sale process challenging and in the interim, the high cost of environmental stewardship has been a cash drain to the company. The Group’s estimated expenditures with respect to the Coricancha Mine, on an annual basis, are in excess of \$8,000,000 per year since it was acquired in 2017.

Reclamation Activities and Nyrstar Settlement

33. The Group has undertaken the reclamation of certain legacy tailings facilities located at the Coricancha Mine, pursuant to a remediation plan approved by the MEM (as the Proposed

Modified Mine Closure Plan has not yet been approved). As part of the purchase of the Coricancha Mine, GPML entered into an agreement with Nyrstar International B.V., Nyrstar Netherlands (Holdings) B.V., and their parent company Nyrstar (collectively, the “**Nyrstar Parties**”) for the reimbursement of the cost of these reclamation activities.

34. Specifically, in connection with the Coricancha Purchase Agreement, the Nyrstar Parties provided temporary collateral to back \$6.5 million in closure bonds and agreed to reimburse GPML for the cost of reclamation of certain legacy tailings facilities up to a maximum of \$20 million, as well as all fines or sanctions arising from activities or ownership of the Coricancha Mine prior to June 30, 2017, up to a maximum of \$4.0 million. GPML would have been required to replace the Nyrstar Parties’ collateral related to the \$6.5 million closure bond on June 30, 2022, except in a circumstance where GPML elected to permanently close the Coricancha Mine. Further, the Nyrstar Parties had certain rights under the Coricancha Purchase Agreement in the event of a sale of Coricancha Mine that would have released their reclamation obligations entirely while preserving an earn-out agreement that provided the Nyrstar Parties limited rights to future free cash flow from the mine.

35. Given the Group’s desire for both flexibility with respect to the future of the mine and certainty regarding the scope of environmental liabilities, as well as the need for additional liquidity which had presented by mid-2022, the Group and the Nyrstar Parties agreed to settle their respective obligations under the Coricancha Purchase Agreement (the “**Nyrstar Settlement**”). On June 16, 2022, the Nyrstar Parties paid the Group a total of \$13.0 million and the Group replaced the Nyrstar Parties’ \$4.55 million of collateral related to the \$6.5 million Coricancha Mine closure bond. The Coricancha Purchase Agreement, along with several associated transaction documents, have been cancelled. The settlement deed includes certain indemnities in favour of the Nyrstar Parties from the Group against environmental liabilities with respect to the Coricancha Mine.

LOI

36. On September 13, 2022, GPML signed a non-binding letter of intent (the “**LOI**”) with Newrange Gold Corp. (“**Newrange**”) to sell one hundred percent (100%) of the shares of GPML’s Peruvian subsidiaries, Coricancha S.A. and Silver Peru, for a total purchase price of \$750,000. The LOI is subject to various conditions precedent, including the completion of definitive documentation, Newrange obtaining financing, and receipt by GPML and Newrange of

all necessary third-party consents and approvals (including court approval, either in this proceeding or the existing proceeding under the BIA). A true copy of the LOI is attached hereto and marked as **Exhibit “J”** to this affidavit.

37. Assuming that the LOI closes, the sale of the Coricancha Mine is anticipated to significantly improve the Group’s cashflow as a result of reduced carrying costs incurred in connection with the mine’s environmental issues and care and maintenance status. If the LOI does not close for any reason, the Group will have to consider other options, including a review of insolvency and transfer options under Peruvian law.

Mexican Properties

38. On June 29, 2022, GPML entered into a Share Purchase Agreement (the “**Share Purchase Agreement**”) with Guanajuato Silver Company Ltd. to sell 100% of its then subsidiary Minera Mexicana el Rosario, S.A. de C.V. (“**MMR**”), which holds the Mexican Properties. The Mexican Properties produced concentrates containing silver, gold, lead, and zinc, for sale to metal traders or directly to smelters and refiners that extract the metals from the concentrates. The sale of MMR pursuant to the Share Purchase Agreement closed on August 4, 2022. Prior to the completion of the sale, the Mexican Properties had been operating on a cash flow negative basis for a number of years. While GPML has retained three active Mexican subsidiaries after the closing of the Share Purchase Agreement, the Group does not currently conduct any significant operations in Mexico.

39. Initial negotiations regarding the Share Purchase Agreement related to the sale of the Mexican Properties anticipated a closing in June 2022 or earlier, with a targeted closing date of May 2022. The sale of the Mexican Properties resulted from a series of events, including inability of the Group to obtain a formal response regarding certain required mining permits (the “**Mexican Permits**”), which the Group had sought since 2018 (and which, as of the time of sale, had still not been received). As a result of the Group’s inability to obtain the Mexican Permits, and the need to increase tailings capacity on-site, the Group was left with three potentially viable options: (i) to invest significant capital in a tailings filtering plant in order to address tailings processing requirements; (ii) place the primary Mexican asset, the GMC, into care and maintenance; or, (iii) sell the Mexican Properties to a company for whom tailings disposal was not an issue due to the availability of alternative storage facilities.

40. The Group determined that a sale would be preferable as, among other reasons, it would permit GPML to focus its capital investments on growing operations in Brazil. As the Mexican Permits had not yet been received, the GMC was progressively placed into care and maintenance between November 2021 and early January 2022. The Mexican Properties did not generate any positive cash flow for the Group in 2020, 2021, or 2022. For instance, in the second quarter of 2022, the Group's Mexican operations had a net loss of \$0.3 million (\$4.2 million year-to-date), primarily as a result of lower sales volumes, lower silver prices, and carrying costs for the GMC while in care and maintenance.

41. During the negotiations and pre-closing period with respect to the Share Purchase Agreement, the Mexican Properties required significant, ongoing expenditures by GPML, which contributed to the deterioration of the Group's liquidity position. The closing of the Share Purchase Agreement was delayed due to various concerns regarding due diligence and regulatory issues.

42. At present, GPML has three Mexican subsidiaries with some remaining operations, being Coboro Minerales, Metalicos de Durango, and Minera de Villa Seca. Metalicos de Durango and Minera de Villa Seca's remaining activities are minimal and relate to certain lease and tax obligations. As well, Coboro Minerales holds certain properties in Mexico which GPML believes hold some value, although the amount is uncertain at this time. GPML is in the process of evaluating its approach to the remaining Mexican subsidiaries, which may include a wind-down, disposition, or other transaction.

43. Additionally, GPML may be entitled to additional payments under the Share Purchase Agreement upon the fulfilment of certain specified conditions, based upon production at the Mexican Properties and the price of silver. The aggregate maximum amount of such payments is approximately \$2.0 million. The timing and likelihood of fulfilment of the conditions is currently uncertain and GPML does not anticipate receiving the payments in the short term. GPML received an initial working capital adjustment upon closing of the Share Purchase Agreement based on estimated working capital on the closing date of August 4, 2022. Under the Share Purchase Agreement, the parties have ninety (90) days to agree on the post-closing working capital adjustment based on actual working capital as at August 4, 2022. Any amount due to the purchaser according to this adjustment will form a claim against GPML.

IV. LIQUIDITY ISSUES AND NEED FOR CREDITOR PROTECTION

44. GPML, and consequently the Group, is currently experiencing an acute liquidity crisis. The current liquidity crisis has developed rapidly during the current fiscal quarter, despite a number of actions taken by the Group in an effort to reduce their ongoing obligations and to obtain sufficient liquidity to support their short-term needs. While the management of the Group believes that there is significant value in its holdings, and particularly in the Tucano Mine, a series of developments have left GPML unable to address its short-term working capital requirements and those of its subsidiaries.

45. As described in further detail below, the primary issues driving GPML's liquidity crisis include:

- (a) ongoing operational challenges related to geotechnical instability at the most productive of the eight Tucano Mine pits, known as Urucum Central South (the “**UCS Pit**”), which resulted in significant expenditures in 2021 on “pushback” activities (as discussed below) without significant metal production;
- (b) the residual impact of a BRL currency hedge entered into in 2019, which caused the Group's opening cash position in 2021 to be approximately \$21.6 million lower than it would have been if the Group had remained unhedged;
- (c) atypically heavy rainfall at the Tucano Mine site which has accelerated the need for expenditures regarding tailings dam expansion and water management;
- (d) inflationary pressures, particularly with respect to the Group's Brazilian operations, which have significantly increased operational costs;
- (e) contractor mobilization delays at the Tucano Mine, primarily due to equipment availability issues, which have resulted in a decrease in revenue and production;
- (f) significant costs involved in maintaining the care and maintenance of the Coricancha Mine, which requires major expenditures to address environmental issues; and,
- (g) delays in the closing of the sale of the Mexican Properties which caused additional unanticipated capital outlays.

Historical Background and Initial Operational Issues

46. As noted above, GPML acquired the Tucano Mine on March 5, 2019. Mining in northern Brazil is affected by seasonal weather, with the majority of production occurring in the second half of the year, primarily due to the occurrence of heavy rains in the first half of the year.

47. On or around October 6, 2019, a geotechnical incident occurred which required the suspension of mining at the UCS Pit, for safety reasons. As a result of wall instability detected at the UCS Pit, the Group temporarily ceased operations at that pit and accelerated its production from two other pits, known as Urucum North and Urucum South. Productivity at these pits was lower than expected due to various factors, including unusually high rainfall, increased pit congestion due to more constrained mining geometries, and the smaller blasts required in order to separate ore and waste at the Urucum North and Urucum South sites.

48. Nonetheless, the Group had a successful year in 2020 despite the COVID-19 pandemic, due to record production in Brazil and a favourable gold price environment. Upon the completion of initial material offloading scheduled in the UCS Pit, full mining activities resumed in the pit by November 2020. The cash position at December 2020 was \$63.4 million, and would have been significantly higher if the Group had not commenced a BRL/USD hedging strategy in the fourth quarter of 2019 and first quarter of 2020 to reduce exposure to any appreciation in the BRL. The BRL at the time was at or near record lows relative to the USD, however it continued to weaken over the course of 2020 and GPML realized losses on BRL/USD forward contracts totalling \$21.6 million in 2020 and a further \$3.5 million in the first quarter of 2021.

49. In May 2021, the UCS Pit experienced a new instability event, which required another temporary cessation of mining operations. To address instability at the UCS Pit, the Group started the execution of a “pushback” operation in the west pit wall (the “**Initial Pushback**”), in which waste was removed from the UCS Pit and the pit wall was resurfaced to increase safety. In October 2021, while the Initial Pushback was still in execution, the UCS Pit had another larger instability event. Accordingly, mining was halted for safety reasons and the Group did not realize any significant metal production from the pit in late 2021 or early 2022 as had been planned. The Group also engaged SRK to perform further reviews and evaluations of the pushback design. SRK completed a full review in early 2022 of the various layers of information collected for the geotechnical investigation of the UCS Pit and provided a revised pushback

design which was scheduled to be mined for the second half of 2022, once the rainy season was past.

50. As a result of the October 2021 instability event in the UCS Pit, the entire Tucano Mine plan was re-sequenced. The Group shifted its focus to another pit, which is referred to as “**AB1**” or “TAP AB”. The resequencing to the AB1 pit in early 2022 required substantial stripping prior to the commencement of production, which in turn required further capital expenditure. This was unlike the resequencing performed in early 2020 after the first 2019 UCS instability event, where alternative pits with higher grades and relatively lower strip ratios were available.

51. In addition to the UCS Pit issues, the primary mining contractor in 2021, U&M, was unable to provide mining equipment at the availability rates that had been anticipated by the Group, as a result of the unavailability of necessary replacement parts and increases in the price of available parts. Due to these performance issues, GPML determined during the second half of 2021 that it would replace U&M with MINAX as the contractor at the Tucano Mine. The replacement of a mining contractor is a significant undertaking, as the replacement contractor requires time to fully mobilize its operations. During the first half of 2022, MINAX and U&M operated in parallel at different pits, pending the completion of MINAX’s mobilization efforts.

52. Brazil has recently experienced significant inflation in the cost of certain key goods required to conduct gold mining operations, including with respect to diesel fuel, cyanide (which is required for the production of gold doré), and labour costs. For instance, the average operating margin at the Tucano Mine has declined significantly over the past few years, from 51.8% in 2020, to 33.2% in 2021, and finally to 19.0% in January through July 2022. As described in further detail below, GPML believes that MINAX has itself experienced liquidity issues.

Initial Attempts to Address Liquidity Issues

53. In August 2021, GPML formed a special committee of its board of directors (the “**Special Committee**”) to evaluate options for a transformative transaction (whether by acquisition, merger, joint venture or otherwise) in Brazil which would maximize shareholder value. The Special Committee was also tasked with exploring the potential sale of the Group’s Mexican and Peruvian properties. The Special Committee retained an outside advisor to assist with this process.

54. In September 2021, GPML obtained the Asahi Advance (as described above) in the amount of \$20,000,000, and MMR obtained the Samsung Advance (as defined and described below) in the amount of \$5,000,000. At that time, the Group anticipated that its working capital needs would be met, through a combination of the aforementioned debt financing and production revenues, by the fourth quarter of 2021.

55. Due to the low production from the UCS Pit and heavy capital expenditures required to re-sequence GPML's mining plan, as described above, the Group did not have sufficient funds available to it to complete the required work while continuing with its planned exploration program and the development of an underground project which were considered critical to the achievement of GPML's strategy to make the Tucano Mine profitable. To raise the necessary funds to fund exploration and underground development and to supplement working capital (without obtaining additional debt financing and thereby further constraining cash flow), GPML determined that the best available option would be to conduct an equity raise (the "**Equity Raise**").

56. The Equity Raise was completed by way of a bought deal offering of common shares. Specifically, GPML entered into an underwriting agreement with H.C. Wainwright & Co., LLC, acting as sole book-running manager and representative of a syndicate of underwriters (together the "**Underwriters**"), under which the Underwriters purchased 76,923,077 common shares in the capital of GPML, at a discounted public offering price of \$0.26 per share¹, less underwriting discounts and commissions, for aggregate gross proceeds of approximately \$23 million. The Equity Raise was completed in the fourth quarter of 2021. The completion of the Equity Raise at a discounted price put downward pressure on GPML's share price. In addition, the departures of the chair of the board of directors and the chief executive officer of GPML in late 2021 and early 2022, respectively, contributed to a climate of uncertainty that added pressure to the share price. These factors made it difficult for GPML to obtain further equity financing in response to its subsequent liquidity issues.

57. In the second quarter of 2022, the Group received approximately \$7,000,000 in tax refunds from its Brazilian operations, and approximately \$13,000,000 in proceeds from the Nyrstar Settlement (as described above). Additionally, the Group anticipated that it would be able to derive significant savings by divesting the Mexican Properties. The Share Purchase

¹ Note that this price and the number of common shares purchased is quoted prior to the 10:1 share consolidation completed in July, 2022.

Agreement regarding MMR was initially targeted to close in May 2022. As the Mexican Properties were losing money, the sale of MMR was anticipated to free up a significant amount of cash flow so that the Group could shift its focus to re-establishing full production at the Tucano Mine. Due to ongoing closing delays, the closing of the sale of MMR was delayed to August 4, 2022, which required the outlay of further funds to support the Mexican Properties. The Mexican Properties also did not perform at the expected level during the pre-closing period.

58. The Group also entered into discussions with Asahi regarding a potential restructuring of its debt. These discussions were initially favourable, and in early 2022 GPML believed that terms would be reached imminently. In addition to the Special Committee's efforts, GPML was exploring other financing options throughout late 2021 and the first half of 2022. Among other things, GPML: (i) negotiated with a third-party lender regarding a convertible note financing with an initial \$5 million tranche; (ii) entered into negotiations with another third-party lender regarding a potential debt financing; (iii) advanced the then-ongoing restructuring discussions with Asahi which included rescheduling of certain payments and the provision of certain additional financing; and, (iv) evaluated the potential for conducting a further equity raise (the **"Planned Equity Raise"**).

59. As a result of these favourable developments, as of the end of July 2022, the Group believed that its liquidity issues would be resolved in September 2022. However, a number of events resulted in a rapid depletion of the Group's working capital and general liquidity position, including:

- (a) the completion of MINAX's mobilization, which was targeted to occur in June 2022, was delayed by equipment availability due to a backlog in the Brazilian market and supply issues;
- (b) following the release of GPML's second quarter financial results, MINAX advised the Group that it has suffered liquidity issues and requested up-front payment of its fees (the **"MINAX Payment Request"**), failing which it would be unable to maintain or mobilize the required mining equipment as intended;
- (c) production at the Tucano Mine in August 2022 was significantly lower than expected and revised forecasts illustrated that the mine would not become cash positive until December 2022. GPML believes this resulted primarily from the operational issues involving the mining contractors; and,

- (d) following the completion of the Equity Raise in late 2021, GPML's share price had continued to decline, along with many of its peers in the mining industry, to the extent that the NYSE-A provided GPML with a warning that it would be delisted from the exchange unless a share consolidation was undertaken. The share consolidation was completed in July 2022, and this put further pressure on the share price. As a result of the falling share price, the Group's ability to raise sufficient additional funds on the public market by way of the Planned Equity Raise was further constrained.

60. Following the receipt of the MINAX Payment Request and in light of the lower than forecast production in August 2022 and management's adjusted expectations, albeit still within annual guidance range, on the timing of production for the remainder of the year, it became apparent that the potential restructuring of GPML's indebtedness to Asahi would not be sufficient to resolve all of the Group's liquidity issues, and that the potential size of the Planned Equity Raise was insufficient to bridge the gap. Further, negotiations broke down with alternative third-party lenders.

61. The Group's net working capital as of June 30, 2022, was negative \$39.2 million compared with \$0.2 million as at December 2021. By mid-August 2022, GPML's liquidity position had deteriorated to the extent that it was unable to ensure it would be able to provide the funds required for operations at the Tucano Mine.

62. Accordingly, on September 6, 2022:

- (a) Mina Tucano and its two direct shareholders, Beadell Brazil 1 and Beadell Brazil 2, commenced restructuring proceedings in Brazil under a process referred to as "**Judicial Reorganization**". Among other things, the commencement of Judicial Reorganization proceedings established a stay of proceedings against Mina Tucano for a period of thirty (30) days;
- (b) Mina Tucano terminated certain key supply contracts, including its agreements with the two mining contractors, U&M and MINAX; and,
- (c) GPML filed the NOI, pursuant to section 50.4 of the BIA. The proposal trustee under the NOI (the "**Proposal Trustee**") is Alvarez & Marsal Canada Inc. ("**A&M**").

63. On September 7, 2022, Mina Tucano filed a petition with the United States Bankruptcy Court, Southern District of New York, seeking recognition of the Judicial Reorganization proceedings as “foreign proceedings”, pursuant to Chapter 15 of Title 11 of the U.S. Code (the “**U.S. Bankruptcy Code**”, the proceedings commenced by Mina Tucano under Chapter 15 of the U.S. Bankruptcy Code are referred to as, the “**Chapter 15 Proceedings**”). A true copy of the Notice of Filing of a Certified Translation of the RJ Petition, dated September 15, 2022 (the “**Certified Translation**”), as filed within the Chapter 15 Proceedings, is attached hereto and marked as **Exhibit “K”** to this affidavit. The Certified Translation includes a translated copy of the body of the petition filed by Mina Tucano to commence the Judicial Reorganization proceedings, which sets out certain additional background and information regarding Mina Tucano, Beadell Brazil 1, Beadell Brazil 2, and the Tucano Mine.

64. Since the filing of the NOI and the commencement of the Judicial Reorganization proceedings, operations have temporarily discontinued at the Tucano Mine. The Group is continuing to work towards the development and implementation of a restructuring plan which is expected to include a partial care and maintenance period involving the continued processing of existing stockpiles and completion of work on the tailings dam at the Tucano Mine to ensure continued compliance with environmental regulations. Mina Tucano is currently seeking interim financing, in Brazil, in connection with the Judicial Reorganization proceedings. It is not currently anticipated that GPML will require interim financing in connection with its Canadian operations in the short term. In the event that GPML subsequently determines that it will require such financing, it will seek the approval of this Court by way of a separate motion.

65. As described in further detail below, since the Filing Date, GPML and Mina Tucano have both taken various actions to begin implementing their intended restructuring plans, including (i) GPML negotiating with Asahi regarding post-filing refining requirements (which is necessary for Mina Tucano to monetise its remaining gold production); (ii) Mina Tucano negotiating with major mining contractors to process historical stockpiles while partially completing the construction of the east tailings dam at the mine site, which is intended to assist in ensuring environmental compliance and maximizing value at the Tucano Mine; and, (iii) GPML negotiating and entering into the LOI (as defined below) with respect to the Coricancha Mine, which is anticipated to significantly improve the Group’s cash flow.

66. It is contemplated that the flexibility afforded to debtor companies under the CCAA would provide significant benefits to GPML, as compared with the existing proceedings under the BIA,

in particular given the international nature of the Group's assets and the complexities surrounding them. Due to limited management capacity, and the urgency of dealing with the Judicial Reorganization, the NOI was filed to ensure a stay of proceedings was obtained by GPML in the short-term, with a continuation to be sought prior to an extension. Accordingly, GPML seeks the continuation of its NOI proceedings under the CCAA.

Employees, Management and Sales, and Treasury Function

(A) Employees

67. The Group's operations at the Vancouver head office, the Tucano Mine, and the Coricancha Mine, are supported by the following numbers of employees and contractors:

Location	Employees	Contractors
Vancouver (Head Office)	17	0
Brazil (Tucano Mine)	532	1150 (varying monthly)
Peru (Coricancha Mine)	46	78
<i>All numbers are approximate and presented as at June 30, 2022 (with respect to Vancouver and Brazil) and September 19, 2022 (with respect to Peru).</i>		

68. As part of its sustainability and social investment policies, the Group prioritizes hiring and procuring goods and services from local communities. A significant majority of the employees and contractors at the Tucano Mine and the Coricancha Mine are hired locally. Local workers have full-time, permanent employee positions and contract roles in key management, professional, or technical roles. They generally work in the technical areas of mining, exploration, equipment maintenance, laboratory and analysis, private security, and haulage. Employees or contractors from outside of the local community or state are hired where it is not possible to find necessary qualifications or skills within the local workforce.

(B) Management and Sales

69. All head office and strategic management functions for the Group, including all global treasury planning and execution activities, are conducted by employees of the corporate head office located at 1330 - 200 Granville Street, Vancouver, British Columbia (the "**Vancouver Office**"). Key operational, strategic, and legal functions, as well as oversight of the local operations of members of the Group, are also run through the Vancouver Office. Mina Tucano is

partially reliant, and Coricancha S.A. is fully reliant, on GPML for funding, and procurement and sales processes are conducted primarily through the Vancouver Office.

70. The Group's business model with respect to the Tucano Mine includes mining gold in Brazil and selling gold in Canada. Mina Tucano is responsible for the mining and on-site processing operations, then sells its gold production at market price to GPML (subject to certain deductions and charges, as described below), which subsequently sells the gold to external parties after refinement. GPML's personnel market, negotiate, execute, and sell the gold to third-party customers. GPML is also responsible for the refining of the gold, shipment logistics, and post-sale activities. Mina Tucano does not have any sales or marketing personnel and it is not involved with external gold sales after it sells its gold production internally to GPML. I provide overall insight and direction for the commercial activities for the Tucano Mine, with support from staff located in Vancouver. I am also responsible for relationship management and development with existing and potential customers, contract negotiation, contract execution, and serve as the primary point of contact for GPML's (and by extension, the Group's) customers, as well as negotiating and renewing contracts for freight and gold refining.

71. As Mina Tucano relies on GPML personnel for its sales and marketing functions, GPML charges Mina Tucano a sales commission fee of 2.40% (plus or minus 0.03% depending upon the foreign exchange rate, gold price, and quantity per shipment) (the "**Sales Agency Fee**"). The Group considers that the fees charged to Mina Tucano by GPML reflect arm's length pricing, on the grounds that GPML takes on various risks in the gold sales process, including inventory risk, credit risk, price risk, foreign exchange risk, reputational risk, and certain mining risks. All transactions between GPML and Mina Tucano and supported by a transfer pricing study. Following the commencement of the Judicial Reorganization, GPML agreed to reduce the Sales Agency Fee temporarily to 1.5%, being the amount required to be paid to Asahi under the recent amendments to the Refining Agreement made pursuant to the Post-Filing Asahi Agreement (as defined and discussed below).

72. In 2021, GPML sold its products to three third-party customers: Samsung C&T U.K. Ltd. ("**Samsung**"); Asahi; and Auramet International LLC. Total sales to these third-party customers were \$141,582,000 in 2021. At present, GPML's sole customer is Asahi, pursuant to the Refining Agreement and the Prepayment Agreement. At present, one hundred percent (100%) of gold produced at the Tucano Mine is sold to Asahi, in Canada, pursuant to the Refining Agreement and the Prepayment Agreement.

(C) Treasury Function

73. I am responsible for the overall oversight of the Group's treasury function, including, among other things, treasury management strategy and planning, oversight of working capital management, balance sheet planning and strategy, approval of foreign exchange purchases and requests to open or close bank accounts, managing hedging and providing recommendations to the Group's hedging committee for approval of foreign exchange or metals hedging, and maintaining banking relationship. The Group's treasury function involves managing transactions in multiple currencies between Group entities.

74. In addition, all short-term investments of the Group, including hedging agreements, are managed through the Vancouver Office, and all financing transactions are managed by myself and the Chief Executive Officer of GPML. At present, the Group does not have any hedging positions.

75. Given the Group's cash management needs, and the necessity of making numerous international cash transfers to continue operations, GPML believes that the maintenance of the current cash management system is preferable to instituting a new system during these proceedings. For clarity, the current cash management system does not include central pooling.

V. FINANCING AND CAPITAL STRUCTURE

Financing Agreements

76. The Group reports its financial results on a consolidated basis. However, individual credit facilities are held at either the GPML or Mina Tucano level, as follows:

- (a) the Prepayment Agreement is the only outstanding secured financing facility at the GPML level. As at the Filing Date, the amount outstanding thereunder including accrued interest was CAD\$17,123,358.91;
- (b) on September 21, 2021, MMR entered into a \$5.0 million lead concentrate prepayment with Samsung and obtained a \$5.0 million advance thereunder (the "**Samsung Advance**"). The Samsung Advance was repaid, in full, in connection with the closing of the Share Purchase Agreement concerning the Mexican Properties and the Group has no further liabilities regarding same; and,

- (c) Mina Tucano has directly obtained various secured and unsecured financing facilities to which GPML is not a party and is not liable, in the total amount of approximately \$32,409,937.57 as at September 5, 2022 (as described in further detail below).

VI. RESTRUCTURING MATTERS

Brazilian Proceedings

77. As set out in further detail in the Certified Translation, Brazil has recently adopted the UNCITRAL Model Law on Cross-Border Insolvency. It was determined that the best approach under Brazilian law was for Brazil to be the “Centre of Main Interest” for Mina Tucano and the Judicial Reorganization will be the primary insolvency proceedings with respect to that entity. In the event that it becomes necessary or desirable for the various Canadian, Brazilian, and American courts supervising the Group’s restructuring efforts to engage in direct communications, GPML and Mina Tucano intend to seek approval of an inter-court communications protocol within each proceeding; however, at present, given the early stage of the proceedings, GPML is not currently seeking such relief.

78. GPML currently intends to participate in the Judicial Reorganization and to provide certain indirect, operational support to Mina Tucano during that process. For example, GPML has continued to carry on treasury functions for the Group after the Filing Date, and will oversee any strategic decisions, such as a sales and investment solicitation process for the Group. However, for clarity, GPML does not currently anticipate providing financial assistance to Mina Tucano in connection with the Judicial Reorganization. If circumstances change such that Mina Tucano requires direct financial support from GPML during these CCAA proceedings, GPML intends to seek the approval of the Court, by way of a separate motion, prior to providing any such assistance. The restructuring proceedings in Canada and Brazil are not currently anticipated to have any negative impact on the environmental condition of the Tucano Mine site.

79. Since the commencement of the Judicial Reorganization, Mina Tucano has, among other things: (i) terminated various burdensome contracts, including its contracts with U&M and MINAX; (ii) prepared to ship and process existing stockpiles to generate additional cashflow; (iii) entered into negotiations with MINAX, InfraBrasil and U&M regarding various mining and construction matters which are intended to improve the value of the Tucano Mine and address environmental compliance requirements; and, (iv) entered into negotiations with various lenders

regarding the provision of debtor-in-possession financing to fund the Judicial Reorganization. The Group intends to use the breathing room provided by the stay of proceedings within the Judicial Reorganization to continue such negotiations and efforts, with a view to maximizing the value of Mina Tucano for all interested stakeholders, including GPML.

Canadian Proceedings

80. Since filing the NOI, GPML has engaged in extensive negotiations with Asahi, its primary creditor, regarding the potential for continued provision of refining services after the Filing Date. On September 23, 2022, Asahi and GPML reached an agreement (the “**Post-Filing Asahi Agreement**”) under which Asahi will continue to provide such services, subject to certain terms and conditions. A true copy of the Post-Filing Asahi Agreement is attached hereto and marked as **Exhibit “L”** to this affidavit.

81. Pursuant to the Post-Filing Asahi Agreement and the existing arrangements between GPML and Mina Tucano: (i) Mina Tucano will continue to sell gold to GPML; (ii) GPML will continue to supply one hundred percent (100%) of produced gold doré to Asahi; and, (iii) GPML will provide Asahi with 1.5% of the produced gold as a credit against GPML’s pre-filing indebtedness to Asahi.

82. Accordingly, it is a condition precedent to the Post-Filing Asahi Agreement that GPML will obtain court approval to make payments, to Asahi, in respect of the debts incurred before the Filing Date. GPML believes that this arrangement is fair and reasonable, and in the best interests of all of GPML’s stakeholders, as: (i) while a claims process has not yet been completed, Asahi is by far the largest creditor of GPML, representing CAD\$17,123,358.91 of GPML’s total indebtedness of CAD\$17,937,551.67 as at the Filing Date (as set out in detail in the NOI), and so there will be minimal prejudice to any other creditor of GPML as a result of crediting production against the pre-filing Asahi debt; (ii) GPML believes that Asahi is a critical supplier and effectively irreplaceable, including as GPML is unlikely to be able to negotiate a replacement for the Refining Agreement in the necessary timeline in light of its current insolvent circumstances and the complexity of such agreements; and, (iii) the arrangement contemplated by the Post-Filing Asahi Agreement is cost-effective for the Group and would avoid requiring the Group to locate alternative transportation, storage, and refining options at a time when the Group’s liquidity is severely restricted.

83. While GPML is still formulating the specific details of its proposed restructuring plan to be implemented within these proceedings, at present, GPML intends to: (i) stabilize operations at the Tucano Mine through Mina Tucano's Judicial Reorganization; (ii) process existing ore stockpiles to obtain additional working capital; (iii) improve the value of the Tucano Mine, as described above; (iv) sell the Coricancha Mine to free up cashflow or find another solution, including a review of insolvency and transfer options under Peruvian law; and, (v) continue negotiations with Asahi and its other creditors regarding post-filing supply while the reorganization of Mina Tucano is completed.

84. In addition, the board of directors of GPML has determined that it will downsize to four (4) members, effective September 30, 2022. In light of the current situation, including GPML's insolvency and limited operations, the board's view is that the full skillset of the current board is unlikely to be required. Downsizing will also reduce the costs associated with maintaining the current full board of directors.

85. As noted in the Financial Statements (as defined below), as at June 30, 2022, GPML's Tucano Mine operating segment had estimated total assets of \$184,139,000, with \$101,798,000 in total liabilities. While the ultimate restructuring of the Tucano Mine remains to be determined, it is clear that there is potentially material value for Canadian stakeholders, including shareholders. Estimated third-party creditors of Mina Tucano are approximately \$74,107,441.94 (excluding contingencies and intercompany debts, but including certain claims which are not subject to the Judicial Reorganization, such as tax claims) as at September 5, 2022, and I am advised by André Marques of Pinheiro Neto Advogados, Brazilian counsel to Mina Tucano, and do verily believe, that third-party creditors in Brazil have priority over inter-corporate debts under Brazilian law. GPML is owed approximately \$25,254,380.80 from Mina Tucano in direct inter-corporate loans (in addition to its indirect equity interest, and excluding intercompany claims against Beadell Brazil 1 and Beadell Brazil 2), as at September 5, 2022, and GPML and its stakeholders are clearly material beneficiaries of any value from Mina Tucano beyond the third-party debts.

Financial Statements

86. A true copy of GPML's most recent condensed interim consolidated unaudited financial statements, for the three and six months ended June 30, 2022, and 2021 (the "**Financial**

Statements”), as filed on SEDAR, is attached hereto and marked as **Exhibit “M”** to this affidavit.

87. A true copy of GPML’s condensed interim consolidated unaudited financial statements, for the three months ended March 31, 2022, and 2021, as filed on SEDAR, is attached hereto and marked as **Exhibit “N”** to this affidavit.

88. A true copy of GPML’s amended audited consolidated financial statements, for the years ended December 31, 2021, and 2020 (the **“FY2021 Year End Financial Statements”**), as filed on SEDAR, is attached hereto and marked as **Exhibit “O”** to this affidavit. As noted on the first page of the FY2021 Year End Financial Statements, such financial statements were amended and re-filed by GPML in order to include updated reports of the independent registered public accounting firm relating to the opinion on the consolidated financial statements and to the opinion on internal control over financial reporting in order to include the auditor signature tag line.

89. A true copy of GPML’s condensed interim consolidated unaudited financial statements, for the three and nine months ended September 30, 2021, and 2020, as filed on SEDAR, is attached hereto and marked as **Exhibit “P”** to this affidavit.

Assets and Liabilities

90. As at June 30, 2022, the Group had total assets with a book value of approximately \$262.0 million on a consolidated basis, consisting of current assets with a book value of approximately \$82.7 million and non-current assets with a book value of approximately \$179.3 million.

91. As at June 30, 2022, the Group had total liabilities with a book value of approximately \$186.2 million, as follows:

- (a) current liabilities in the total amount of approximately \$121.9 million, consisting of: (i) trade payables and accrued liabilities of approximately \$57.6 million; (ii) current portion of borrowings of approximately \$41.5 million; and (iii) liabilities associated with assets held for sale of \$22.8 million; and,
- (b) non-current liabilities in the total amount of approximately \$64.3 million, consisting of: (i) borrowings of approximately \$1.9 million; (ii) reclamation and

remediation provisions of approximately \$52.7 million; (iii) deferred tax liabilities of approximately \$2.5 million; and, (iv) other lease liabilities and accrued liabilities of approximately \$7.3 million.

92. As at June 30, 2022, the Group's consolidated borrowings consisted of:

- (a) unsecured bank facilities, owed by Mina Tucano to certain Brazilian banks, of approximately \$25.2 million;
- (b) secured loans, owed by Mina Tucano to Bradesco, a Brazilian bank, of approximately \$3.2 million net of cash collateral;
- (c) secured liabilities to Samsung, which have since been repaid in full following closing of the Share Purchase Agreement regarding MMR, in the amount of \$3.75 million; and,
- (d) secured liabilities to Asahi, owed by GPML, in the amount of \$15.0 million.

93. GPML was unable to make the payment owed to Asahi on August 31, 2022. The failure to make this payment constituted an event of default under the Quota Pledge Agreements. This default gives Asahi the right to take steps to enforce against the *quotas* (equivalent to equity interests) of the entities which own Mina Tucano, being Beadell Brazil 1 and Beadell Brazil 2, which in turn jeopardizes GPML's operating business.

Cash Management System

94. As described in further detail above, GPML manages cash, on behalf of all Group entities, through its Vancouver Office. The Group's financial affairs are highly integrated and managed by GPML personnel.

95. It is anticipated that GPML will continue to use its existing cash management system to facilitate transfers to the Coricancha Mine, as set out in the Cash Flow Forecast (as defined below). The transfer of funds to preserve the Coricancha Mine is necessary to allow the LOI to proceed, and to avoid the potential environmental risk of a rushed transfer if the LOI does not proceed.

96. The existing cash management system incorporates accounting controls to enable GPML and the Proposal Trustee/the proposed monitor, to trace the origins and destinations of funds and to ensure that all transactions are documented.

Stay of Proceedings

97. As GPML is in dire financial circumstances resulting in its insolvency and faces the potential for immediate enforcement action by its creditors, including Asahi, GPML requires a stay of proceedings for an initial period of ten (10) days (as may be extended from time to time, the “**Stay Period**”). GPML intends to subsequently request that the Stay Period be extended for a further period of forty-five (45) to ninety (90) days, with the length of such extension to be determined with the assistance and input of the proposed monitor, by way of subsequent application and will seek additional relief at that time.

Cash Flow Forecast

98. GPML has retained A&M to act as the monitor in these proceedings, if so appointed by the Court. A&M has assisted GPML’s management in preparing a thirteen (13) week cash-flow projection. As of the time of swearing this affidavit, GPML and A&M are finalizing the details of the cash-flow projection. It is contemplated that the finalized cash-flow projection will be attached to a report to be submitted to this Honourable Court by A&M in its capacity as proposed monitor.

Monitor

99. I am advised by Anthony Tillman of A&M, and do verily believe, that A&M has consented to act as monitor for GPML should this Honourable Court grant the order requested under the CCAA. A copy of the consent provided by A&M is attached hereto and marked as **Exhibit “Q”** to this affidavit.

Public Registry Searches

100. Attached hereto and marked as **Exhibits “R”, “S”, “T” and “U”**, respectively, to this affidavit, are true copies of the:

- (a) British Columbia Personal Property Registry debtor name search results with respect to GPML, as at September 27, 2022;

- (b) British Columbia *Bank Act* (Canada) search results with respect to GPML, as at September 27, 2022;
- (c) British Columbia bailiff search results with respect to GPML, regarding outstanding Writs of Execution in the Lower Mainland (Area 4 - Vancouver, Area 5 - New Westminster, and Area 6 - Surrey), as at September 27, 2022; and,
- (d) British Columbia Court (litigation and bankruptcy) search results with respect to GPML, in the Court of Appeal, Supreme Court, and Provincial Court, as at September 27, 2022.

Court-Ordered Charges

(A) Administration Charge

101. GPML also requests that this Honourable Court grant a first-ranking priority charge over the assets, properties and undertakings of GPML (collectively, the “**Property**”), in favour of GPML’s counsel, the Monitor, and the Monitor’s counsel, to secure the payment of their respective fees, disbursements, and expenses incurred in connection with these CCAA proceedings, in priority to GPML’s existing creditors (including secured creditors). Accordingly, GPML seeks the approval of an administration charge (the “**Administration Charge**”), as provided for in the draft Initial Order, in the amount of CAD\$500,000.00. GPML has sought and obtained guidance from A&M in proposing this amount and anticipates that it will seek to increase the quantum of the Administration Charge at a subsequent hearing.

(B) D&O Charge

102. At present, prior to giving effect to the downsizing of the board as described in paragraph 84 above, the directors of GPML are Trudy Marie Curran, Joseph Steven Gallucci, Alan Thomas Chalmers Hair, Peter John Jennings, Helena Elise Rees, Kevin J. Ross, and Dana Ellen Williams, all of whom are Canadian residents (collectively, as the composition of the board may change from time to time, the “**Canadian Directors**”). The officers of GPML are Alan Thomas Chalmers Hair, myself, Fernando Alonso Cornejo Rojas, and Shawn Turkington (collectively, as the composition of the officer positions may change from time to time, the “**Canadian Officers**”, and collectively with the Canadian Directors, the “**Canadian D&Os**”).

103. The other members of the Group, excluding the Canadian Subsidiaries, generally do not share the same directors as GPML, subject to the exception that Shawn Turkington is also a director of Beadell Brazil 1, Beadell Brazil 2, Beadell Resources, Beadell Mineração Holdings, and Beadell Holdings. I am the sole director of the Canadian Subsidiaries GPM Brazil 1, GPM Brazil 2, and Coboro Holdings. I am one of two (2) directors of Peru Holdings; the other director is Shawn Turkington, who also serves as the VP, Finance of GPML. For clarity, the D&O Charge (as defined below) is only intended to apply to the Canadian D&Os in their capacities as directors and officers, as applicable, of GPML, and not in their capacities as directors and officers of the Canadian Subsidiaries.

104. Each of the Canadian D&Os has considerable knowledge and experience in dealing with the business and affairs of GPML. I verily believe that a successful restructuring of GPML's business will only be possible with the continued participation of the Canadian D&Os. Many of the Canadian D&Os have significant expertise conducting business in Canada, Brazil, and Peru, gained through their previous experience as directors and officers of GPML or their principal occupations. As well, the Canadian D&Os have long-standing relationships with GPML's stakeholders, which cannot easily be replaced and which I believe will be crucial in ensuring the success of these proceedings.

105. It is contemplated that the Canadian D&Os would be granted a second-ranking priority charge (the "**D&O Charge**") over the Property, up to the maximum amount of CAD\$150,000.00, as security for GPML's obligations to indemnify the Canadian D&Os, as set out in the draft Initial Order. The D&O Charge will only apply to the extent that GPML's D&O Insurance (as defined and described below) does not provide coverage to the Canadian D&Os, for any reason. The D&O Charge will also provide protection for the Canadian D&Os in the event that the D&O Insurance cannot be renewed due to an increase in premiums, or if GPML otherwise cannot rely on the insurance.

106. GPML carries directors' and officers' liability insurance in the aggregate amount of \$50,000,000 (collectively, the "**D&O Insurance**"). In addition to the Canadian D&Os, the D&O Insurance also covers the directors and officers of GPML's direct and indirect subsidiaries, and accordingly the aggregate limit of \$50,000,000 applies at the Group level. All of the D&O Insurance policies are currently set to expire on December 23, 2022. Specifically, GPML has the following D&O Insurance coverage:

- (a) \$5,000,000 in primary insurance; and,
- (b) \$45,000,000 in additional coverage, issued in tranches of \$5,000,000 to \$10,000,000 by various insurers and co-insurers.

107. The D&O Insurance includes customary exclusions and policy limits. There is potential for insufficient coverage in respect of potential liabilities which may be incurred by the Canadian D&Os during these CCAA proceedings, particularly given that the other Group members share the same insurance coverage and it is possible that claims could be made with respect to events in Brazil or Peru.


108. The Canadian D&Os have expressed their desire for certainty regarding their potential personal liability. GPML and its subsidiaries have numerous employees and many of GPML's subsidiaries are subject to significant environmental liabilities or remediation obligations. Absent the protection of the D&O Charge, I believe there is a significant risk that some or all of the Canadian D&Os may resign from their respective positions.

109. Based upon my discussions with GPML's senior management, GPML's senior management believes that the quantum of the D&O Charge is fair and reasonable in the circumstances and will provide a reasonable level of protection for the Canadian D&Os that will continue to occupy such roles through these proceedings. The proposed quantum of the D&O Charge was arrived at with the assistance and input of A&M.

VII. CONCLUSION

110. I swear this affidavit for the purposes set out in paragraph 2, above, and for no other or improper purposes.

AFFIRMED BEFORE ME at Vancouver,
British Columbia, on September 28, 2022.



A Commissioner for Oaths for the Province
of British Columbia

H. LANCE WILLIAMS

Barrister & Solicitor

McCarthy Tétrault LLP

SUITE 2400 - 745 THURLOW STREET

VANCOUVER, B.C. V6E 0C5

DIRECT 604-643-7154



SANDRA DAYCOCK

This is **Exhibit "A"** referred to in the Affidavit of **Sandra Daycock**, affirmed before me at Vancouver, British Columbia, this 28th day of September, 2022.

A handwritten signature in blue ink, consisting of a series of fluid, connected strokes, positioned above a horizontal line.

A Commissioner for Oaths for
the Province of British Columbia



**BC Registry
Services**

Mailing Address:
PO Box 9431 Stn Prov Govt
Victoria BC V8W 9V3
www.corporateonline.gov.bc.ca

Location:
2nd Floor - 940 Blanshard Street
Victoria BC
1 877 526-1526

BC Company Summary

For GREAT PANTHER MINING LIMITED

Date and Time of Search: September 27, 2022 06:58 AM Pacific Time
Currency Date: August 04, 2022

ACTIVE

Incorporation Number: C0699467
Name of Company: GREAT PANTHER MINING LIMITED
Business Number: 102510682 BC0001
Recognition Date and Time: Continued into British Columbia on July 09, 2004 02:42 PM Pacific Time **In Liquidation:** No
Last Annual Report Filed: July 09, 2022 **Receiver:** No

PREVIOUS FOREIGN JURISDICTION INFORMATION

Identifying Number in Foreign Jurisdiction: 30310
Name in Foreign Jurisdiction: Great Panther Resources Limited
Date of Incorporation, Continuation or Amalgamation in Foreign Jurisdiction: March 22, 1996
Foreign Jurisdiction: YUKON

EXTRAPROVINCIAL REGISTRATION INFORMATION

Previous Registration Number in BC: A0043407
Extraprovincial Company's Name in BC: GREAT PANTHER RESOURCES LIMITED

COMPANY NAME INFORMATION

Previous Company Name: GREAT PANTHER SILVER LIMITED
Date of Company Name Change: March 04, 2019
GREAT PANTHER RESOURCES LIMITED
January 01, 2010

REGISTERED OFFICE INFORMATION

Mailing Address: 1330 - 200 GRANVILLE STREET
VANCOUVER BC V6C 1S4
CANADA
Delivery Address: 1330 - 200 GRANVILLE STREET
VANCOUVER BC V6C 1S4
CANADA

RECORDS OFFICE INFORMATION**Mailing Address:**

1330 - 200 GRANVILLE STREET
VANCOUVER BC V6C 1S4
CANADA

Delivery Address:

1330 - 200 GRANVILLE STREET
VANCOUVER BC V6C 1S4
CANADA

DIRECTOR INFORMATION**Last Name, First Name, Middle Name:**

CURRAN, TRUDY MARIE

Mailing Address:

9 SPRING VALLEY VIEW SW
CALGARY AB T3H 5M1
CANADA

Delivery Address:

9 SPRING VALLEY VIEW SW
CALGARY AB T3H 5M1
CANADA

Last Name, First Name, Middle Name:

GALLUCCI, JOSEPH STEVEN

Mailing Address:

3495 TETRAULT
MONTREAL QC H4K 2S5
CANADA

Delivery Address:

3495 TETRAULT
MONTREAL QC H4K 2S5
CANADA

Last Name, First Name, Middle Name:

HAIR, ALAN THOMAS CHALMERS

Mailing Address:

45 GLENGOWAN RD
TORONTO ON M4N 1G1
CANADA

Delivery Address:

45 GLENGOWAN RD
TORONTO ON M4N 1G1
CANADA

Last Name, First Name, Middle Name:

JENNINGS, PETER JOHN

Mailing Address:

SUITE 506 - 210 WEST 13TH ST.
NORTH VANCOUVER BC V7M 1N7
CANADA

Delivery Address:

SUITE 506 - 210 WEST 13TH ST.
NORTH VANCOUVER BC V7M 1N7
CANADA

Last Name, First Name, Middle Name:

REES, HELENA ELISE

Mailing Address:

1311 SINCLAIR STREET
WEST VANCOUVER BC V7V 3W3
CANADA

Delivery Address:

1311 SINCLAIR STREET
WEST VANCOUVER BC V7V 3W3
CANADA

Last Name, First Name, Middle Name:

ROSS, KEVIN J.

Mailing Address:

391 ROLAND RD.
SALT SPRING ISLAND BC V8K 1V1
CANADA

Delivery Address:

391 ROLAND RD.
SALT SPRING ISLAND BC V8K 1V1
CANADA

Last Name, First Name, Middle Name:

WILLIAMS, DANA ELLEN

Mailing Address:6 STOCKLEIGH PL
HALIFAX NS B3M 4K4
CANADA**Delivery Address:**6 STOCKLEIGH PL
HALIFAX NS B3M 4K4
CANADA

NO OFFICER INFORMATION FILED AS AT July 09, 2022.

This is **Exhibit "B"** referred to in the Affidavit of **Sandra Daycock**, affirmed before me at Vancouver, British Columbia, this 28th day of September, 2022.

A handwritten signature in blue ink, consisting of stylized, flowing letters that appear to be 'R. J. ...'.

A Commissioner for Oaths for
the Province of British Columbia



**BC Registry
Services**

Mailing Address:
PO Box 9431 Stn Prov Govt
Victoria BC V8W 9V3
www.corporateonline.gov.bc.ca

Location:
2nd Floor - 940 Blanshard Street
Victoria BC
1 877 526-1526

BC Company Summary

For
GREAT PANTHER COBORO HOLDINGS LTD.

Date and Time of Search: September 27, 2022 07:00 AM Pacific Time

Currency Date: August 04, 2022

ACTIVE

Incorporation Number: BC1321813

Name of Company: GREAT PANTHER COBORO HOLDINGS LTD.

Business Number: 780269205 BC0001

Recognition Date and Time: Incorporated on August 27, 2021 03:41 PM Pacific Time **In Liquidation:** No

Last Annual Report Filed: Not Available **Receiver:** No

COMPANY NAME INFORMATION

Previous Company Name
1321813 B.C. LTD.

Date of Company Name Change
November 05, 2021

REGISTERED OFFICE INFORMATION

Mailing Address:
1330 - 200 GRANVILLE STREET
VANCOUVER BC V6C 1S4
CANADA

Delivery Address:
1330 - 200 GRANVILLE STREET
VANCOUVER BC V6C 1S4
CANADA

RECORDS OFFICE INFORMATION

Mailing Address:
1330 - 200 GRANVILLE STREET
VANCOUVER BC V6C 1S4
CANADA

Delivery Address:
1330 - 200 GRANVILLE STREET
VANCOUVER BC V6C 1S4
CANADA

DIRECTOR INFORMATION

Last Name, First Name, Middle Name:
Daycock, Sandra Diane

Mailing Address:
1330 - 200 GRANVILLE STREET
VANCOUVER BC V6C 1S4
CANADA

Delivery Address:
1330 - 200 GRANVILLE STREET
VANCOUVER BC V6C 1S4
CANADA

Last Name, First Name, Middle Name:

Henderson, Robert Duncan

Mailing Address:

1330 - 200 GRANVILLE STREET
VANCOUVER BC V6C 1S4
CANADA

Delivery Address:

1330 - 200 GRANVILLE STREET
VANCOUVER BC V6C 1S4
CANADA

NO OFFICER INFORMATION FILED .

This is **Exhibit "C"** referred to in the Affidavit of **Sandra Daycock**, affirmed before me at Vancouver, British Columbia, this 28th day of September, 2022.

A handwritten signature in blue ink, consisting of a series of loops and a long horizontal stroke.

A Commissioner for Oaths for
the Province of British Columbia



BC Registry
Services

Mailing Address:
PO Box 9431 Stn Prov Govt
Victoria BC V8W 9V3
www.corporateonline.gov.bc.ca

Location:
2nd Floor - 940 Blanshard Street
Victoria BC
1 877 526-1526

BC Company Summary

For

GREAT PANTHER MINING (BRAZIL) LIMITED

Date and Time of Search: September 27, 2022 07:00 AM Pacific Time

Currency Date: August 04, 2022

ACTIVE

Incorporation Number: BC1237871

Name of Company: GREAT PANTHER MINING (BRAZIL) LIMITED

Business Number: 751344474 BC0001

Recognition Date and Time: Incorporated on January 20, 2020 03:58 PM Pacific Time **In Liquidation:** No

Last Annual Report Filed: January 20, 2022 **Receiver:** No

REGISTERED OFFICE INFORMATION

Mailing Address:

1330-200 GRANVILLE STREET
VANCOUVER BC V6C 1S4
CANADA

Delivery Address:

1330-200 GRANVILLE STREET
VANCOUVER BC V6C 1S4
CANADA

RECORDS OFFICE INFORMATION

Mailing Address:

1330-200 GRANVILLE STREET
VANCOUVER BC V6C 1S4
CANADA

Delivery Address:

1330-200 GRANVILLE STREET
VANCOUVER BC V6C 1S4
CANADA

DIRECTOR INFORMATION

Last Name, First Name, Middle Name:

Daycock, Sandra

Mailing Address:

1330 - 200 GRANVILLE STREET
VANCOUVER BC V6C 1S4
CANADA

Delivery Address:

1330 - 200 GRANVILLE STREET
VANCOUVER BC V6C 1S4
CANADA

Last Name, First Name, Middle Name:

Henderson, Robert

Mailing Address:

1330 - 200 GRANVILLE STREET
VANCOUVER BC V6C 1S4
CANADA

Delivery Address:

1330 - 200 GRANVILLE STREET
VANCOUVER BC V6C 1S4
CANADA

NO OFFICER INFORMATION FILED AS AT January 20, 2022.

This is **Exhibit "D"** referred to in the Affidavit of **Sandra Daycock**, affirmed before me at Vancouver, British Columbia, this 28th day of September, 2022.

A handwritten signature in blue ink, consisting of a stylized 'Z' followed by a horizontal line and a small flourish.

A Commissioner for Oaths for
the Province of British Columbia



**BC Registry
Services**

Mailing Address:
PO Box 9431 Stn Prov Govt
Victoria BC V8W 9V3
www.corporateonline.gov.bc.ca

Location:
2nd Floor - 940 Blanshard Street
Victoria BC
1 877 526-1526

BC Company Summary

For
GREAT PANTHER MINING (BRAZIL 2) LIMITED

Date and Time of Search: September 27, 2022 07:02 AM Pacific Time

Currency Date: August 04, 2022

ACTIVE

Incorporation Number: BC1237877

Name of Company: GREAT PANTHER MINING (BRAZIL 2) LIMITED

Business Number: 751341272 BC0001

Recognition Date and Time: Incorporated on January 20, 2020 04:21 PM Pacific Time **In Liquidation:** No

Last Annual Report Filed: January 20, 2022 **Receiver:** No

REGISTERED OFFICE INFORMATION

Mailing Address:

1330 - 200 GRANVILLE STREET
VANCOUVER BC V6C 1S4
CANADA

Delivery Address:

1330 - 200 GRANVILLE STREET
VANCOUVER BC V6C 1S4
CANADA

RECORDS OFFICE INFORMATION

Mailing Address:

1330 - 200 GRANVILLE STREET
VANCOUVER BC V6C 1S4
CANADA

Delivery Address:

1330 - 200 GRANVILLE STREET
VANCOUVER BC V6C 1S4
CANADA

DIRECTOR INFORMATION

Last Name, First Name, Middle Name:

Daycock, Sandra

Mailing Address:

1330 - 200 GRANVILLE STREET
VANCOUVER BC V6C 1S4
CANADA

Delivery Address:

1330 - 200 GRANVILLE STREET
VANCOUVER BC V6C 1S4
CANADA

Last Name, First Name, Middle Name:

Henderson, Robert

Mailing Address:

1330 - 200 GRANVILLE STREET
VANCOUVER BC V6C 1S4
CANADA

Delivery Address:

1330 - 200 GRANVILLE STREET
VANCOUVER BC V6C 1S4
CANADA

NO OFFICER INFORMATION FILED AS AT January 20, 2022.

This is **Exhibit "E"** referred to in the Affidavit of **Sandra Daycock**, affirmed before me at Vancouver, British Columbia, this 28th day of September, 2022.

A handwritten signature in blue ink, consisting of a stylized 'S' followed by a horizontal line and a small flourish.

A Commissioner for Oaths for
the Province of British Columbia



**BC Registry
Services**

Mailing Address:
PO Box 9431 Stn Prov Govt
Victoria BC V8W 9V3
www.corporateonline.gov.bc.ca

Location:
2nd Floor - 940 Blanshard Street
Victoria BC
1 877 526-1526

BC Company Summary

For GREAT PANTHER PERU HOLDINGS LTD.

Date and Time of Search: September 27, 2022 07:03 AM Pacific Time

Currency Date: August 04, 2022

ACTIVE

Incorporation Number: BC1357246

Name of Company: GREAT PANTHER PERU HOLDINGS LTD.

Business Number: 734881303 BC0001

Recognition Date and Time: Incorporated on April 07, 2022 09:26 AM Pacific Time

In Liquidation: No

Last Annual Report Filed: Not Available

Receiver: No

REGISTERED OFFICE INFORMATION

Mailing Address:

1330 - 200 GRANVILLE STREET
VANCOUVER BC V6C 1S4
CANADA

Delivery Address:

1330 - 200 GRANVILLE STREET
VANCOUVER BC V6C 1S4
CANADA

RECORDS OFFICE INFORMATION

Mailing Address:

1330 - 200 GRANVILLE STREET
VANCOUVER BC V6C 1S4
CANADA

Delivery Address:

1330 - 200 GRANVILLE STREET
VANCOUVER BC V6C 1S4
CANADA

DIRECTOR INFORMATION

Last Name, First Name, Middle Name:

Daycock, Sandra Diane

Mailing Address:

1330 - 200 GRANVILLE STREET
VANCOUVER BC V6C 1S4
CANADA

Delivery Address:

1330 - 200 GRANVILLE STREET
VANCOUVER BC V6C 1S4
CANADA

Last Name, First Name, Middle Name:

Turkington, Shawn

Mailing Address:

1330 - 200 GRANVILLE STREET
VANCOUVER BC V6C 1S4
CANADA

Delivery Address:

1330 - 200 GRANVILLE STREET
VANCOUVER BC V6C 1S4
CANADA

NO OFFICER INFORMATION FILED .

This is **Exhibit "F"** referred to in the Affidavit of **Sandra Daycock**, affirmed before me at Vancouver, British Columbia, this 28th day of September, 2022.

A handwritten signature in blue ink, consisting of stylized, flowing letters that appear to be 'J. L.' followed by a long horizontal stroke.

A Commissioner for Oaths for
the Province of British Columbia



* Marina Norte Empreendimentos de Mineração S.A. is not a subsidiary, but Mina Tucano holds 39,99% of Common Shares and 100% of Preferred Shares. All Ownerships are 100% beneficial Ownership, unless otherwise noted.

² Great Panther Mining Ltd holds 99.99% of the common shares.

This is **Exhibit "G"** referred to in the Affidavit of **Sandra Daycock**, affirmed before me at Vancouver, British Columbia, this 28th day of September, 2022.

A handwritten signature in blue ink, consisting of a stylized 'Z' followed by a horizontal line and a small flourish.

A Commissioner for Oaths for
the Province of British Columbia

District of: British Columbia
 Division No. 03 - Vancouver
 Court No.
 Estate No.

- FORM 33 -

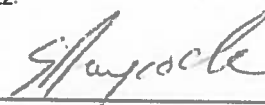
Notice of Intention To Make a Proposal
 (Subsection 50.4(1) of the Act)

In the Matter of the Proposal of
 Great Panther Mining Limited

Take notice that:

1. I, Great Panther Mining Limited, an insolvent person, state, pursuant to subsection 50.4(1) of the Act, that I intend to make a proposal to my creditors.
2. Alvarez & Marsal Canada Inc. of Cathedral Place Building, 925 West Georgia Street, Suite 902, Vancouver, BC, V6C 3L2, a licensed trustee, has consented to act as trustee under the proposal. A copy of the consent is attached.
3. A list of the names of the known creditors with claims of \$250 or more and the amounts of their claims is also attached.
4. Pursuant to section 69 of the Act, all proceedings against me are stayed as of the date of filing of this notice with the official receiver in my locality.

Dated at the city of Vancouver in the Province of British Columbia, this 6th day of September 2022.



Great Panther Mining Limited
 Insolvent Person

To be completed by Official Receiver:

 Filing Date

 Official Receiver

District of: British Columbia
 Division No. 03 - Vancouver
 Court No.
 Estate No.

- FORM 33 -
 Notice of Intention To Make a Proposal
 (Subsection 50.4(1) of the Act)

In the Matter of the Proposal of
 Great Panther Mining Limited

List of Creditors with claims of \$250 or more.			
Creditor	Address	Account#	Claim Amount
121 Group HK Limited	UNIT 206, 2/F FWD FINANCIAL CENTRE, '308 - 316 DES VOEUX RD Sheung Wan HONG KONG		4,605.26
AIS ADVISORY	2590 Lauralynn Drive North Vancouver BC V7J2Y5		18,357.94
Amazon Web Services Inc.	C/O TH1218C PO BOX 4290 STN A Toronto ON M5W 0E1		7,389.41
Asahi Refining Canada Limited	130 GLIDDEN RD BRAMPTON ON L6W 3M8		17,123,358.91
BRINKS	RUA JOSÉ AMATO, 310 - CASA VERDE SÃO PAULO CEP 02518-120 Brazil		256,502.36
CDW CANADA CORP	P.O Box 57720 Postal Station A Toronto ON M5W 5M5		17,305.48
Citrix Systems Inc.	851 W Cypress Creek Rd Fort Lauderdale FL 33309 USA		2,453.68
CNW	RBC WATERPARK PLACE: 88 QUEENS QUAY WEST, SUITE 3000 Toronto ON M5J 0B8		10,788.78
Computershare	100 University Ave. 8th Floor Toronto ON M5J 2Y1		10,864.47
Deloitte Management Services LP	410 West Georgia Street, Suite 2000C Vancouver BC V6B 0S7		76,959.75
Estrategia Juridica Empresarial	Insurgentes Sur 1787 Piso 6 Guadalupe Inn, Ciudad de México D.F. 01020 Mexico		4,197.37
Fluence Technologies Inc	47 Colborne Street Suite 201 Toronto ON M5E 1P8		84,000.00
Guanajuato Silver Company Ltd.	Suite 578 - 999 Canada Place Vancouver BC V6C 3E1		250.00
Inna Dymov	747 Fortye Drive Peterborough ON K9K 2G4		1,265.60

District of: British Columbia
 Division No. 03 - Vancouver
 Court No.
 Estate No.

- FORM 33 -
 Notice of Intention To Make a Proposal
 (Subsection 50.4(1) of the Act)

In the Matter of the Proposal of
 Great Panther Mining Limited

List of Creditors with claims of \$250 or more.			
Creditor	Address	Account#	Claim Amount
KPMG	Pacific Centre 777 Dunsmuir Street, P.O. Box 10426 Vancouver BC V7Y 1K3		57,156.00
Longview Of America LLC	8529 Six Forks Road Suite 400 Raleigh NC 27615 USA		29,194.74
MANZANERO Y VIVANCO S.C	CALLE DEL ANGEL NO.36. COL.SAN JOSE INSURGENTES DELG. BENITO JUAREZ D.F. 03900 Mexico		15,263.16
Marsh Canada Limited	120 Bremner Boulevard, Suite 800 Toronto ON M5J 0A8		67,928.84
Nasdaq Corporate Solutions, LLC	151 W 42nd Street New York NY 10036 USA		5,263.16
Outliers Mining Solutions Inc.	8953 Woodbine Ave Markham ON L3R 0J9		65,070.64
RAMSEYS GLOBAL	LEVEL 6, 16 VICTORIA AVE Perth WA 6000 Australia		44,943.82
Rogers	8200 DIXIE ROAD BRAMPTON ON L6T0C1		1,629.12
Solium Capital ULC	Suite 1500, 600 3rd Avenue SW Calgary AB T2P 0G5		7,256.45
SRK Consulting	1066 West Hastings Street, 22nd Floor Vancouver BC V6E 3X2		18,679.51
TSX INC.	100 Adelaide St W Suite 300 Toronto ON M5H 1S3		6,867.22
Total			17,937,551.87



Great Panther Mining Limited
 Insolvent Person

This is **Exhibit "H"** referred to in the Affidavit of **Sandra Daycock**, affirmed before me at Vancouver, British Columbia, this 28th day of September, 2022.

A handwritten signature in blue ink, consisting of a stylized 'Z' followed by a horizontal line and a small flourish.

A Commissioner for Oaths for
the Province of British Columbia



**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2022**

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MANAGEMENT'S DISCUSSION AND ANALYSIS

This Management's Discussion and Analysis ("MD&A") should be read in conjunction with the unaudited condensed interim consolidated financial statements of Great Panther Mining Limited ("Great Panther" or the "Company") for the three month period ended June 30, 2022 ("Q2 2022") and the six-month period ended June 30, 2022 ("YTD Q2 2022"), and the notes related thereto, which are prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"), as well as the annual audited consolidated financial statements for the year ended December 31, 2021, which are in accordance with IFRS, the related annual MD&A ("2021 MD&A"), and the Form 40-F/Annual Information Form ("AIF") which can be found on www.sec.gov/edgar or www.sedar.com.

All information in this MD&A is current as of August 3, 2022, unless otherwise indicated. All dollar amounts are expressed in US dollars ("USD") unless otherwise noted. References may be made to the Brazilian real ("BRL"), Mexican peso ("MXN") and Canadian dollar ("CAD").

This MD&A contains forward-looking statements and should be read in conjunction with the *Cautionary Statement on Forward-Looking Statements* section at the end of this MD&A.

This MD&A contains references to non-Generally Accepted Accounting Principles ("non-GAAP") measures. Refer to the section entitled *Non-GAAP Measures* for explanations of these measures and reconciliations to the Company's reported financial results. As these non-GAAP measures do not have standardized meanings under IFRS, they may not be directly comparable to similarly titled measures used by others. Non-GAAP measures should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS.

Some tables and summaries contained in this MD&A may not sum exactly due to rounding.

PROFILE

Great Panther is listed on the Toronto Stock Exchange trading under the symbol GPR and on the NYSE American trading under the symbol GPL. The Company is focused on the operation of the Tucano Gold Mine ("Tucano"), located in the state of Amapá in northern Brazil with a tenement portfolio covering nearly 200,000 hectares in the prospective Vila Nova Greenstone belt, 100% controlled by Great Panther. Tucano is a gold mine producing gold doré and is comprised of a series of eight open pits, an underground project, a 10,000 tonnes per day processing plant and tailings facility. On June 29, 2022, Great Panther entered into a Share Purchase Agreement (the "Agreement") with Guanajuato Silver Company Ltd. ("GSilver") to sell 100% of the Company's Mexican subsidiary Minera Mexicana El Rosario S.A. de C.V. ("MMR"), which holds the Guanajuato Mine Complex (the "GMC"), the Topia mine, and the El Horcón and Santa Rosa projects, all located in Mexico. Refer to *Significant Events – Sale of Mexico Assets* for further details.

Great Panther also owns the Coricancha Mine Complex ("Coricancha"), a gold-silver-copper-lead-zinc mine and 600 tonnes per day processing facility. Coricancha is located in the central Andes of Peru, approximately 90 kilometres east of Lima. Coricancha is on care and maintenance and the Company is exploring its options for Coricancha.

Additional information on the Company, including its AIF, can be found on SEDAR at www.sedar.com and EDGAR at www.sec.gov/edgar or on the Company's website at www.greatpanther.com.

Q2 2022 SUMMARY OF FINANCIAL RESULTS

		Q2 2022	Q2 2021	YTD Q2 2022	YTD Q2 2021
PRODUCTION, COST AND SALES METRICS					
Continuing operations¹					
Gold produced	Oz	16,629	20,696	30,666	43,692
Cash costs per gold ounce sold ²	\$/oz	\$ 1,575	\$ 1,617	\$ 1,689	\$ 1,289
All-in sustaining costs ("AISC") per gold ounce sold, excluding corporate G&A expenditures ²	\$/oz	\$ 3,080	\$ 2,214	\$ 2,856	\$ 1,870
AISC per gold ounce sold ²	\$/oz	\$ 3,299	\$ 2,383	\$ 3,048	\$ 2,051
Gold sales	Oz	16,076	21,459	30,469	44,480
Average realized gold price ³	\$/oz	\$ 1,865	\$ 1,815	\$ 1,874	\$ 1,785
Discontinued operations¹					
Silver produced	Oz	159,529	334,423	333,227	694,493
Silver equivalent ounces ("Ag eq oz") produced	Oz	266,893	597,142	557,587	1,239,765
Average realized silver price	\$/oz	21.79	27.45	23.04	26.41
PROFIT AND LOSS					
Continuing operations					
Revenue	\$000s	\$ 30,022	\$ 39,043	\$ 57,194	\$ 79,566
Production costs	\$000s	25,348	34,789	51,552	57,478
Mine operating earnings before non-cash items ²	\$000s	4,674	4,254	5,642	22,088
Amortization and depletion	\$000s	4,487	6,776	8,413	14,621
Share-based compensation	\$000s	105	134	170	233
Mine operating earnings income (loss)	\$000s	82	(2,656)	(2,941)	7,234
G&A expenses	\$000s	3,496	3,540	6,463	7,842
EE&D expenses	\$000s	1,799	1,847	3,609	3,600
Finance and other expense (income)	\$000s	6,822	793	3,949	4,075
Loss before income taxes	\$000s	(12,035)	(8,836)	(16,962)	(8,283)
Income tax expense (recovery)	\$000s	17	(129)	17	221
Net loss from continuing operations	\$000s	(12,052)	(8,707)	(16,979)	(8,504)
EBITDA	\$000s	(5,029)	(893)	(4,417)	8,886
Discontinued operations					
Loss from discontinued operations, net of tax	\$000s	(276)	(1,350)	(4,234)	(1,884)
Net loss for the period	\$000s	\$ (12,328)	\$ (10,057)	\$ (21,213)	\$ (10,388)
BALANCE SHEET					
Cash and cash equivalents	\$000s	\$ 21,058	\$ 35,229	\$ 21,058	\$ 35,229
Borrowings	\$000s	\$ 43,389	\$ 26,317	\$ 43,389	\$ 26,317
Net working capital	\$000s	\$ (39,228)	\$ 9,773	\$ (39,228)	\$ 9,773
CASH FLOWS					
Net cash flows from operating activities	\$000s	\$ 8,278	\$ 6,505	\$ (341)	\$ 8,834
Net cash flows from operating activities before changes in non-cash working capital	\$000s	\$ (8,318)	\$ (932)	\$ (12,827)	\$ 6,358
EXCHANGE RATES					
USD/CAD		1.277	1.229	1.272	1.244
USD/BRL		4.934	5.295	5.054	5.384

¹ Continuing operations include the consolidated results of the Company, excluding MMR, which is included under the caption discontinued operations in the consolidated statements of comprehensive income (loss) for all periods presented and on the consolidated balance sheet under the captions, assets held for sale and liabilities associated with assets held for sale as at June 30, 2022.

² The Company has included the non-GAAP performance measures cash cost per gold ounce sold, AISC per gold ounce sold excluding corporate G&A expenditures, AISC per gold ounce sold, cash cost per payable silver ounce, AISC per payable silver ounce, mine operating earnings (loss) before non-cash items and EBITDA throughout this document. Refer to the Non-GAAP Measures section of this MD&A for an explanation of these measures and reconciliation to the Company's financial results reported in accordance with IFRS. As these are not standardized measures, they may not be directly comparable to similarly titled measures used by others and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS.

³ Average realized gold and silver prices are prior to smelting and refining charges.

SUMMARY ANALYSIS

Continuing operations

Revenue – Gold sales for Q2 2022 were 16,076 ounces at an average realized price of \$1,865 per ounce compared with 21,459 ounces at an average realized price of \$1,815 per ounce for Q2 2021. Lower ounces sold decreased revenue by \$9.8 million and was partially offset by the impact of higher prices of \$0.8 million. Gold sales for YTD Q2 2022 were 30,469 ounces at an average realized price of \$1,874 per ounce compared with 44,480 ounces at an average realized price of \$1,785 per ounce for YTD Q2 2021. Lower ounces sold decreased revenue on a YTD basis by \$26.3 million offset partially by the impact of higher prices of \$4 million.

Production costs – Cash costs per gold ounce sold for Q2 2022 were \$1,575 compared with \$1,617 for Q2 2021. Production was impacted last year in Q2 when movement was detected in the west wall of the Urucum South (“UCS”) pit and this triggered a resequencing of the Tucano Life of Mine (“LOM”) which prioritized lower grade material and increased stripping in the pits which affected our costs per ounce. Cash costs per gold ounce YTD Q2 2022 were \$1,689 compared with YTD Q2 2021 of \$1,289. The increase in cash cost per gold ounce is primarily related to lower grades and recovery rates.

Amortization and depletion – Amortization and depletion rates for Tucano are based on remaining ore reserves. Amortization and depletion is lower in Q2 2022 compared with Q2 2021 as a result of the LOM being extended by 1.5 years as a result of the most recent Mineral Reserves and Mineral Resources update.

Finance and other expense (income) – Translation of USD debt to the BRL functional currency of our Brazilian subsidiary resulted in a loss of \$3.7 million during Q2 2022 and this compares with a gain for Q2 2021 of \$1.0 million. During Q2 2022 the Company recognized a loss of \$1.8 million related to an agreed settlement of the reimbursement rights receivable.

Net loss from continuing operations – Net loss from continuing operations for Q2 2022 was \$12.1 million compared with a loss of \$8.8 million for Q2 2021. YTD Q2 2022 the net loss from continuing operations was \$17.0 million compared with a loss of \$8.5 million for the prior year.

Discontinued operations

On June 29, 2022, the Company announced that it had entered into the Agreement with GSilver to sell 100% of the Company's Mexican subsidiary MMR. MMR has been classified as an asset held for sale at June 30, 2022, and accordingly the financial results of MMR for all periods are presented as discontinued operations. For Q2 2022, the Mexico operations had a net loss of \$0.3 million compared with a net loss of \$1.4 million in Q2 2021. YTD Q2 2022, the Mexico operations had a net loss of \$4.2 million compared with a loss of \$1.9 million YTD Q2 2021. The increase in net loss for the Mexico operations is due to lower sales volumes, lower silver prices and carrying costs for the GMC while in care and maintenance.

Cash flows

At June 30, 2022, cash and cash equivalents were \$21.1 million compared with \$35.2 million at June 30, 2021, and \$47.7 million at December 31, 2021.

(000s)	Q2 2022	Q2 2021	YTD Q2 2022	YTD Q2 2021
Cash flows from operating activities before changes in non-cash working capital	\$ (8,318)	\$ (932)	\$ (12,827)	\$ 6,358
Changes in non-cash working capital	16,596	7,437	12,486	2,476
Net cash provided by operating activities	8,278	6,505	(341)	8,834
Net cash used in investing activities	(13,614)	(14,886)	(25,122)	(27,878)
Net cash provided by (used in) financing activities	(5,349)	(2,569)	(842)	(9,812)
Effect of foreign currency translation on cash and cash equivalents	(1,127)	715	175	689
Increase (decrease) in cash and cash equivalents	(11,812)	(10,235)	(26,130)	(28,167)
Cash and cash equivalents, beginning of period continuing operations	33,374	45,464	47,692	63,396
Less cash and cash equivalents classified as asset held for sale	(504)	–	(504)	–
Cash and cash equivalents, end of period	\$ 21,058	\$ 35,229	\$ 21,058	\$ 35,229

Cash flows from operating activities before changes in non-cash working capital for Q2 2022 were negative \$8.3 million compared with negative \$0.9 million for Q2 2021. Changes in non-cash working capital for Q2 2022 was \$16.6 million and includes \$7.4 million of PIS/COFINS refunds successfully collected during the quarter and an increase in accounts payable. Changes in non-cash working capital for the comparative quarter in 2021 was \$7.4 million and is primarily related to the drawdown of ore stockpiles in Q2 2021.

Net cash used in investing activities for Q2 2022 were negative \$13.6 million and includes additions to mineral properties, plant and equipment of \$22.1 million offset partially by \$13.0 million related to the settlement with Nyrstar (refer to *Significant Events - Nyrstar Settlement (Coricancha)*) and funding of \$4.6 million in cash collateral backing a required \$6.5 million closure bond. This compares to cash outflows from investing activities for Q2 2021 of \$14.5 million, which relates primarily to additions to mineral properties, plant and equipment.

During Q2 2022, the Company had net debt repayments of \$5.7 million and issued shares for proceeds of \$3.0 million through the ATM Facility (refer to *Liquidity and Capital Resources - Trends in liquidity and capital resources*).

At June 30, 2022, cash and cash equivalents were \$21.1 million compared with \$35.2 million at June 30, 2021, and \$47.7 million at December 31, 2021.

SIGNIFICANT EVENTS

Sale of Mexican Operations

On June 29, 2022, the Company announced that it had entered into the Agreement with GSilver to sell 100% of the Company's Mexican subsidiary MMR, which holds the Guanajuato Mine Complex (the "GMC"), the Topia mine, and the El Horcón and Santa Rosa projects, all located in Mexico.

Under the terms of the Agreement, GSilver will purchase MMR for a total upfront consideration of \$14.7 million plus up to \$2.0 million in additional payments, payable as follows:

- \$8.0 million cash payable on closing
- A total of 25,787,200 common shares of GSilver valued at approximately \$6.7 million based on trading prices
- \$0.5 million upon producing 2.5 million ounces of silver from the GMC and Topia
- \$0.75 million upon the price of silver closing at or above \$27.50 per ounce over a 30-day period in the two years following the Agreement
- \$0.75 million upon the price of silver closing at or above \$30.00 per ounce over a 30-day period in the two years following the Agreement

In addition to the above, the purchase price will be adjusted for the difference between MMR's working capital at closing and an agreed target level of working capital, which is currently estimated to result in a cash inflow to the Company of \$1.35 million. The final adjustment will be determined post-closing.

In conjunction with closing, expected during Q3 2022, the balance outstanding on the Samsung lead concentrate prepayment facility will be repaid, and accordingly Samsung will release the pledge of MMR shares associated with this facility. Closing is subject to satisfaction of certain conditions including receipt of all requisite third-party and regulatory approvals.

Tucano Exploration and Mineral Reserve and Resource Updates

On April 26, 2022, the Company reported Mineral Resource and Mineral Reserve Estimates (the "2021 MRMR") for Tucano. The estimates were prepared in accordance with National Instrument 43-101 – Standards of Disclosure for Mineral Projects ("NI 43-101"). The 2021 MRMR has an effective date of July 31, 2021. The 2021 MRMR reflects results of an additional 58,837 metres of drilling up to the end of July 2021, an increased gold price of \$1,650/oz for reserves and \$1,900/oz for resources, and an exchange rate of BRL 5: USD 1. The 2021 MRMR is focused on the open pit ore zones and reflects changes to the open pit reserves and resources, while the underground will be updated in a future Mineral Resource and Mineral Reserve estimate on completion of engineering studies currently underway.

Highlights from the 2021 MRMR are as follows:

- Total Proven and Probable ("P&P") Mineral Reserves are now estimated to be 681,873 gold ounces, of which 371,541 gold ounces are open pit reserves, a 24% increase in P&P open pit reserves since the previously reported MRMR estimate for Tucano with an effective date of September 30, 2020 (the "2020 MRMR").
- Total Measured and Indicated ("M&I") Mineral Resources, which are inclusive of Mineral Reserves, now total 1.3 million gold ounces, of which 928,000 gold ounces are open pit M&I Mineral Resources, a 65% increase since the 2020 MRMR.

- The Company completed a 11,000-metre drilling campaign on the Urucum North ("URN") underground project. Engineering studies are currently underway. Historical reserves will be updated pending these studies.

On June 8, 2022, the Company reported the filing of the "Technical Report on the 2021 Mineral Reserves and Mineral Resources of the Tucano Gold Mine, Amapá State, Brazil" (the "Technical Report"). The Technical Report has an effective date of July 31, 2021.

The Technical Report has been filed on SEDAR at www.sedar.com, on the Company's website at www.greatpanther.com, and on EDGAR at www.sec.gov/edgar. The Technical Report supports the information regarding mineral reserve and resource estimates at Tucano presented above.

On May 31, 2022, the Company reported drill results for an additional 29 holes at the Urucum North underground project. URN is the most northern of a series of open pits distributed along the seven-kilometre-long belt that hosts Tucano.

Surface diamond drilling focused on a zone of multiple plunging high-grade lodes beneath the URN open pit where underground mine development studies are advancing. The resource conversion drill program, which commenced in 2021, was completed in April 2022 and totalled 18,948 metres in 48 drill holes.

Complete tables of drill results from the first 19 holes and the remainder of the drill program can be found in the Company's July 22, 2021 and May 31, 2022 news releases, respectively, available on SEDAR at www.sedar.com and EDGAR at www.sec.gov.

Tucano Contractor Availability

The Company made significant progress during Q2 2022 in resolving equipment availability issues at Tucano. The Company reached an agreement with its current contractor, U&M, which secures the contractor's mining commitment through to the end of December 2022. The Company's new contractor, MINAX, is currently mining in the majority of pits with the exception of TAP AB1, which was allocated to U&M. MINAX will complete the mobilization of the required equipment for the 2022 mine plan by September 2022.

Nyrstar Settlement (Coricancha)

On June 16, 2022, the Company reached a settlement with Nyrstar with respect to its indemnification obligations for certain reclamation liabilities at Coricancha. Under the settlement agreement, Nyrstar agreed to pay the Company a total of \$13.0 million in exchange for the cancellation of Nyrstar's rights and obligations under the original Share Purchase Agreement. The Company used \$4.6 million of this cash to replace Nyrstar's collateral for its \$6.5 million share of the Coricancha closure bond. See "Advanced Projects" below.

EVENT SUBSEQUENT TO THE END OF THE QUARTER

On July 21, 2022, the Company announced that the Company's common shares were consolidated at a ratio of 10 pre-consolidation common shares to one post-consolidation common share (the "Consolidation"). The common shares began trading on a post-Consolidation basis on the Toronto Stock Exchange and NYSE American on July 25, 2022.

All outstanding incentive stock options granted pursuant to the Company's Amended and Restated Omnibus Incentive Plan (the "Omnibus Incentive Plan") have been adjusted in accordance with their terms to increase their exercise price by a factor of 10 and to reduce the number of Common Shares issued upon exercise by dividing by 10. Appropriate adjustments to reflect the Consolidation will also be made to outstanding deferred share units, restricted share units and performance share units granted pursuant to the Omnibus Incentive Plan.

COVID-19 RESPONSE AND CONSIDERATIONS

The Company continues to monitor the effects of the spread of COVID-19 with a focus on the jurisdictions in which the Company operates in the Americas. Great Panther's priority is to safeguard the health and safety of personnel and host communities, support and enforce government actions to continue managing the effects of the pandemic and assess and mitigate the risks to our business continuity.

The Company is focused on maintaining top-of-mind awareness about prevention practices, including immunization, within the organization and the communities surrounding its operations. The Company's operations were not significantly impacted by COVID-19 during Q2 2022, however, there can be no assurance that the Company's plans and protocols will continue to effectively manage the impacts of the COVID-19 virus. The Company may experience an increase in COVID-19 infection amongst its employees and contractors even with enhanced safety protocols and safeguards as new variants emerge.

OUTLOOK

The Company's Tucano operations are on track to meet previously announced production guidance for 2022 of 85,000 to 100,000 gold oz sold. The second half of 2022 is expected to account for at least 65% of annual production at Tucano. The mine plan for Tucano reflects more stripping in the first half of 2022 and therefore consolidated AISC is expected to be higher in the first half and offset by increased production rates in the second half of 2022.

Due to a combination of inflationary pressures and accelerated capital spending specifically on the Tucano tailings facility, the Company has determined that Tucano cost guidance for the year must be adjusted. Inflationary pressures have had a significant impact on operating costs, including on diesel and other key consumables, when compared to the same period in 2021. In addition, due to higher-than-normal precipitation in the past two years, an increase in capital spending was necessary to fast track the Company's expansion of the Tucano tailings storage facility, which brought forward \$3.5 million planned for 2023, as well as a \$2.3 million investment in evaporators to manage water levels in the tailings facilities. Alterations in a number of aspects of the mine plan, which will produce benefits in future quarters, further impacted costs. These factors contributed to an increase in AISC for 2022 of approximately \$70/oz. Revised 2022 consolidated guidance on costs is stated in the table below:

Tucano ¹	Previous	Revised
Gold Production (oz)	85,000 – 100,000	85,000 – 100,000
Cash Costs (\$/Au oz sold) ²	\$1,200 - \$1,300	\$1,400 - \$1,500
AISC (\$/Au oz sold) ³	\$1,600 - \$1,700	\$2,200 - \$2,300

¹ The production and revised cost guidance for 2022 assumes no COVID-19 related shutdowns, the Company being able to maintain geotechnical control/stability of the UCS pit and access of the mineralization in the UCS pit, based on completion of the planned additional technical work and in accordance with the revised Tucano mine plan and without additional costs or significant interruption.

² Cash cost per oz sold are calculated based on the total cash operating costs with the deduction of revenue attributable to sales of by-product metals, net of the respective smelting and refining charges.

³ AISC refers to all-in sustaining cost per gold ounce sold, excluding corporate general and administrative expenditures, and reflects the AISC at the Company's operating mines. The calculation starts with cash cost net of by-product revenue and adds accretion of reclamation provisions, lease liability payments, sustaining exploration, evaluation and development expenses, and sustaining capital expenditures for the operating mines. Sustaining expenditures are those costs incurred to sustain and maintain existing assets at current productive capacity and constant planned levels of productive output. AISC is a non-GAAP measure. This measure is widely used in the mining industry as a benchmark for performance but does not have a standardized meaning as prescribed by IFRS as an indicator of performance and may differ from methods used by other companies with similar descriptions. Refer to the Non-GAAP Measures section of the Company's MD&A for a reconciliation of AISC to the Company's financial statement measures. The Company's AISC guidance assumes a Brazilian real to US dollar exchange rate of 5.35 for the third and fourth quarter of 2022. Actual results may differ.

MINING OPERATIONS

TUCANO

		Q2 2022	Q2 2021	YTD Q2 2022	YTD Q2 2021
Mining and processing					
Ore mined	tonnes	291,160	211,913	523,373	559,379
Ore mined grade	g/t	0.97	1.02	0.97	1.18
Total waste mined	tonnes	7,425,216	5,466,688	11,565,729	12,017,803
Total material mined	tonnes	7,716,376	5,678,601	12,089,102	12,577,182
Strip ratio		24.4	23.3	21.2	20.3
Tonnes milled	tonnes	870,199	873,433	1,743,332	1,669,469
Plant head grade	g/t	0.69	0.81	0.63	0.85
Plant gold recovery	%	86.4%	88.7%	86.7%	88.7%
Production					
Gold	oz	16,629	20,284	30,666	40,706
Carbon fines recovery	oz	—	412	—	2,986
Total gold production	oz	16,629	20,696	30,666	43,692
Sales					
Gold	oz	16,076	21,459	30,469	44,480
Cost metrics					
Cash cost per gold ounce sold ⁴	\$/oz	\$ 1,575	\$ 1,617	\$ 1,689	\$ 1,289
AISC per gold ounce sold ¹	\$/oz	\$ 3,080	\$ 2,214	\$ 2,856	\$ 1,870
Exploration	m	8,913	10,000	16,884	17,281

The following discusses the changes in results for Q2 2022 compared with Q2 2021 unless otherwise noted.

Total material mined during Q2 2022 was 76% higher than Q1 2022 and 36% higher than Q2 2021 as stripping activities continued at TAP AB, TAP C and URN pits. Ore production for Q2 2022 was 291,160 tonnes representing an increase of 25% over Q1 2022 and 37% over Q2 2021.

In Q2 2021, movement was detected in the west wall of the UCS pit. Following remediation work, production recommenced in Q3 2021, however wall movement was detected again in October 2021, leading to the suspension of mining in the UCS pit. The Company's Tucano geotechnical committee subsequently advised that additional remediation work would be required in the UCS pit to improve stability. The additional pushback necessary was postponed to the second half of 2022, following the rainy season, so that it could be completed in a safe and cost-effective manner. In Q1 2022, geotechnical studies were completed by the Company with the assistance of SRK Consulting that confirmed the value of ore in the UCS pit will support the pushback design, which comprises 8.5 million tonnes of waste removal. Most of the remaining gold production from the UCS pit is planned for 2023. Since Q3 2021, lower grade ore from stockpiles supplemented ore production from the UCS and URN open pits.

Cash costs per gold ounce sold were \$1,575, a 3% decrease compared with \$1,617 in Q2 2021. The \$42 per ounce decrease in cash costs is primarily related to the write down to net realizable value for the ore inventories at June 30, 2021, which had the effect of increasing the cash cost per gold ounce sold in Q2 2021. Both quarters included the processing of lower grade stockpiles and marginal ore resulting in an increase in cost per gold ounce sold. The Company is assessing further initiatives to improve operational efficiency and reduce costs.

AISC per gold ounce sold was \$3,080 compared with \$2,214 for Q2 2021. The increase of \$866 per ounce includes the decrease in cash costs discussed above (\$42 per ounce), increased stripping activity during the quarter to benefit future ore production (\$448 per ounce) and sustaining capital primarily related to tailings dam facilities (\$357 per ounce).

Gold production from Tucano for Q2 2022 was 16,629 ounces compared with 20,696 ounces for Q2 2021. The Company's new mining contractor, MINAX, is expected to complete the mobilization of the required equipment for the 2022 mine plan by September 2022.

The additional pushback necessary to fully resume mining in the UCS pit will restart in the second half of 2022 with most of the remaining gold production from the UCS pit planned for 2023.

⁴ The Company has included the non-GAAP performance measures cash cost per gold ounce sold, AISC per gold ounce sold excluding corporate G&A expenditures and AISC per gold ounce sold throughout this document. Refer to the Non-GAAP Measures section of this MD&A for an explanation of these measures and reconciliation to the Company's financial results reported in accordance with IFRS. As these are not standardized measures, they may not be directly comparable to similarly titled measures used by others and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS.

Exploration

All results from the regional multi-element soil sample programs completed in 2021 have been received and compiled and are being interpreted both in-house, and by outside consultants. Initial analysis has delineated a number of elevated, continuous and semi-continuous gold trends and anomalies. These trends often extend for several kilometers in strike. Due to the large amount of data available, including geochemistry, geophysics and mapping information, the Company has engaged the support of specialist geochemical/geophysical consultants with access to artificial intelligence and machine learning routines to assist in the interpretation and prioritization of the targets. GoldSpot Discoveries Corp. is providing this support and the geochemical target prioritization is expected to be available in August.

To test the regional targets, a modular drill rig is scheduled for mobilization in August with the 2,300-metre drill program scheduled to be executed in Q3 and Q4. Prioritized targets are within a 30-kilometre radius of the Tucano processing plant and will initially focus on the Lona Amarela, Saraminda, Janaina and Mutum trends. Due to the very steep terrain, dense forest and tighter work restrictions within State Forest areas, modular drill rigs are seen as a practical solution as they can be man transported with or without the assistance of quadricycles. This eliminates the need for deforestation or opening of roads. Teams have been mobilized to site. Field camp and infrastructure preparations are underway.

To comply with the Brazilian Mineral Code, the Company is preparing a series of reports required to maintain the exploration permits in good standing. A total of seven reports must be presented by the end of the year: two final exploration reports and five partial exploration reports for license renewals. Final exploration reports are related to the Janaina and Saraminda targets where detailed auger drilling programs have been undertaken to complement previous activities. In Q2, 1,357 metres of auger drilling were executed. In addition, detailed mapping, rock sampling and ground magnetics have been undertaken.

Along the mine sequence, exploration continues to increase resource ounces through drilling aimed to provide greater flexibility in the mining activities and extend the life of mine. During Q2, drilling was focused on the zone between UCS and UCN pits, with 7,274 metres drilled. Results to date are positive with a number of higher-grade intersections. High grades intersected beneath the UCS pit, similar to those associated with the URN underground project, suggest potential for a plunging high-grade zone beneath this pit. This early drilling is positive but additional drilling is required to test the model.

In parallel, the exploration team continues to develop and investigate satellite targets along the mine sequence. A new target has been developed at TAP D0 with multi-element soil and ground magnetic data delineating a 700-metre-long prospective corridor that is still open to the south. The soil and ground magnetic program followed reconnaissance RAB drilling to help map geology along an access road that cuts the zone from north to south, sub-parallel to a previously identified target. At TAP D0, 225 soil samples, and nine lines of ground magnetics were completed. Interpretation is ongoing.

Three kilometres to the east of TAP C a sub-parallel iron formation is being covered by soil and ground magnetics to understand the origin of alluvial gold mined in drainages extending from the unit. The program will also evaluate the potential of the lithology and structure of the sequence between the two iron formations. This area is referred to as T4. During Q2 in T4, 51 kilometres of the 72 kilometres programmed lines were opened, 53 of the 1,038 soil samples were collected and 23 of the 35 lines of ground magnetics were surveyed. It is anticipated that TAP D0 and T4 will develop drill targets ready for testing in 2023. These will be prioritized together with other targets on the mine sequence and in the regional programs.

Permitting

The Tucano main operating permit expired on November 9, 2021, but it remains valid until the normal course renewal process is completed by the relevant environmental permitting authority. According to Brazilian law, environmental permits are automatically renewed in cases on which a request for renewal is lodged with the relevant permitting authority with more than 120 days in advance of their expiry term if authorities do not complete the renewal process in such time frame. On November 8, 2021, the Company received a letter from SEMA that confirmed that the Company's renewal request complied with the above-mentioned laws and officially extended the permit from November 9, 2021, until final examination of the renewal application is complete.

In October 2020, a federal law was passed in Brazil, which, among other things, stipulated minimum distances for any new tailings dams from populated areas. In February 2022, the Brazilian national mining agency provided regulatory guidance on their process and criteria for reviewing existing tailings dams and for approving new tailings dams. Tucano has sufficient tailings storage capacity to last until mid-2024 at full operating rates. The Company is assessing how the law and new regulations will impact its current tailings facilities and construction and permitting plans for incremental tailings capacity, if at all, and is planning accordingly.

DISCONTINUED OPERATIONS - Mexico

		Q2 2022	Q2 2021	YTD Q2 2022	YTD Q2 2021
Material mined	tonnes	17,022	55,658	33,280	112,634
Material milled	tonnes	17,236	55,997	33,468	114,665
Production					
Silver	oz	159,529	334,423	333,227	694,493
Gold	oz	260	2,107	542	4,089
Lead	tonnes	336	357	701	882
Zinc	tonnes	480	478	1,006	1,096
Silver equivalent ounces ¹	oz	266,893	597,142	557,587	1,239,765
Average ore grades					
Silver	g/t	315	205	337	209
Gold	g/t	0.74	1.43	0.79	1.37
Lead	%	2.13	2.44	2.28	2.71
Zinc	%	3.05	3.31	3.29	3.47
Sales					
Payable silver	oz	133,234	314,234	289,791	628,562
Gold	oz	193	1,948	414	3,808
Ag eq oz sold ¹	oz	209,412	547,264	463,025	1,106,192

ADVANCED PROJECTS

Coricancha

Great Panther acquired Coricancha in June 2017. In July 2018, the Company filed a Preliminary Economic Assessment ("PEA") that outlined the potential for 3 million Ag eq oz of annual production at Coricancha. In June 2019, the Bulk Sample Program ("BSP") was completed and confirmed the key operating assumptions for Coricancha contained in the PEA. The Company also identified the potential to increase the life of mine by developing a mine plan for the resources not incorporated into the PEA, which utilizes only approximately 28% of the overall resource. Under the BSP, a total of 5,089 tonnes of mineralized material was mined from the Constancia and Escondida veins and processed through the plant. The program produced 15,561 ounces of silver, 303 ounces of gold, 107,319 pounds of lead and 99,889 pounds of zinc through the production of zinc and lead concentrates. In the third quarter of 2019, the Company sold the majority of the metal concentrate produced from the BSP.

The PEA and the BSP are preliminary in nature and include Inferred Mineral Resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as Mineral Reserves. There is no certainty that the results and conclusions of the PEA and the BSP will be realized or that the Company will choose to restart Coricancha. Mineral Resources that are not Mineral Reserves have no demonstrated economic or technical viability.

The Company may initiate a restart of Coricancha without first establishing Mineral Reserves due to (i) the existing processing plant facility, (ii) the low initial capital cost to re-establish underground workings, and (iii) the Company's knowledge of the mine and resource base. If a restart of operations does occur and its production decision is not based on any feasibility studies of Mineral Reserves demonstrating economic and technical viability, there may be increased uncertainty and risks with respect to revenue, cash flows and profitability of such operations, the potential to achieve any particular level of recovery, the costs of such recovery, the rates and costs of production and the life of mine plan, developed and studied as part of the BSP.

In the fourth quarter of 2019, the Company undertook a limited mining and processing campaign of approximately 25,000 tonnes. The campaign was suspended in the first quarter of 2020 as a result of Peruvian government-mandated restrictions associated with COVID-19 and it resumed in the fourth quarter of 2020, processing a total of 27,680 tons of concentrates which were subsequently sold.

The Company is evaluating all options with respect to Coricancha.

¹ Silver equivalent ounces are referred to throughout this document. For 2022, Ag eq oz are calculated using a 75:1 Ag:Au ratio and ratios of 1:0.0409 and 1:0.0559 for the price/ounce of silver to lead and zinc price/pound, respectively, and applied to the relevant metal content of the concentrates produced, expected to be produced, or sold from operations. The ratios are reflective of average metal prices for 2022. Comparatively, Ag eq oz for 2021 are calculated using a 85:1 Ag:Au ratio and ratios of 1:0.0413 and 1:0.0486 for the price/ounce of silver to lead and zinc price/pound, respectively, and applied to the relevant metal content of the concentrates produced, expected to be produced, or sold from operations. The ratios are reflective of average metal prices for 2021.

Legacy Tailings and Nyrstar Settlement

The Company has undertaken the reclamation of certain legacy tailings facilities at Coricancha under a remediation plan approved by the Ministerio de Energía y Minas de Peru ("MEM"), the relevant regulatory body. As part of the purchase of Coricancha, the Company had an agreement with Nyrstar International B.V. and Nyrstar Netherlands (Holdings) B.V. (together "Nyrstar") and their parent company for the reimbursement of the cost of these reclamation activities. The Company continues to seek approval of a modification to a remediation plan from the MEM in accordance with the recommendations of an independent consultant to preserve the stability of nearby areas by reclaiming the legacy tailings in situ. The Company has changed the scheduling of the reclamation work, pending a decision from the MEM regarding the proposal to modify the approved remediation plan.

The Company engaged a consultant to complete the engineering work and develop an engineered tailings removal operating plan and closure plan for Canchas 1 and 2 and is continuing to engage with the MEM to reach a conclusion regarding the Modified Mine Closure Plan. However, given the unsettled political environment in Peru, including multiple changes in leadership at the MEM, there can be no assurance that a resolution can be reached in a timely manner.

Under the original Share Purchase Agreement between the Company and Nyrstar (the "SPA"), Nyrstar provided temporary collateral to back \$6.5 million in closure bonds required for Coricancha and agreed to reimburse the Company for the cost of reclamation of certain legacy tailings facilities up to a maximum of \$20.0 million and all fines or sanctions that arose from activities or ownership of Coricancha prior to June 30, 2017, up to a maximum of \$4.0 million. Under the SPA, the Company would have been required to replace Nyrstar's collateral related to the \$6.5 million closure bond on June 30, 2022, except in a circumstance where the Company elected to permanently close the mine. Further, Nyrstar had certain rights in the event of a sale of Coricancha that would have released Nyrstar of its reclamation obligations entirely while preserving an earn-out agreement that provided Nyrstar limited rights to future free cash flow from the mine.

The timing for Coricancha reclamation expenditures remains uncertain due to the continued delay in receiving a response from the Peruvian government regarding the Company's proposed Modified Mine Closure plan. Given this, and the Company's desire for flexibility with respect to the future of the mine, the Company and Nyrstar agreed to settle both the Company's and Nyrstar's obligations under the SPA. On June 16, 2022, Nyrstar paid the Company a total of \$13.0 million and the Company replaced Nyrstar's \$4.55 million of collateral related to the \$6.5 million Coricancha closure bond. The SPA, along with several associated transaction documents, have been cancelled. Nyrstar and Great Panther's rights and obligations under these agreements are terminated and the Settlement Deed will be the only remaining agreement between the parties. The Settlement Deed includes certain indemnities in favour of Nyrstar from the Company against environmental liabilities with respect to Coricancha.

Mine Closure Law (Law No. 31347)

On August 18, 2021, the Peruvian government introduced a new Mine Closure Law (Law No. 31347). The new law contemplates changes to the mine closure financial assurance requirement applicable to all mining companies in Peru. Whereas previously companies were required to provide financial assurance to cover "Final" and "Post-Closure" stages of the Mine Closure Plan, under the amended law the financial assurance requirement is inclusive of "Progressive Closure" costs (i.e., closure activities during the operation of the mine) for the main components of the mine. The law does not provide details such as specific costs or the timing of payment or form of collateral to be provided. In January 2022, draft regulations were published and allowed for a comment period from the mining industry. The Petroleum and Energy Society prepared a consolidated response to the regulations, to which the Company submitted comments. Final regulations have not yet been published. The Company cannot provide assurance that the comments submitted by the Company or other mining industry members will be accepted and that the final regulations will not require the Company to pay for a material increase to the current closure bond.

Peruvian Tax Matters

The Company's Peruvian subsidiary Great Panther Coricancha S.A. ("GPC") received notice in May 2021 from SUNAT, the Peruvian tax authority, that SUNAT intends to hold GPC jointly liable with respect to the unpaid taxes of a leasing company that sold the Coricancha mining assets to GPC (formerly Compañía Minera San Juan S.A.) in March 2006, prior to the Company's acquisition of Coricancha effective June 30, 2017. The SUNAT claim is for unpaid taxes and related fines of the leasing company, which is not an affiliate of the Company, from its 2001 tax year, together with related fines. The amount claimed is approximately \$20.0 million.

The Company believes that the probability of the claim resulting in liability for GPC is remote and, as a consequence, has not recorded any contingency. The Company expects legal processes to take several years to reach a conclusion.

SUMMARY OF SELECTED QUARTERLY INFORMATION

(000s, except per-share amounts)	Q2 2022	Q1 2022	Q4 2021	Q3 2021	Q2 2021	Q1 2021	Q4 2020	Q3 2020
Continuing Operations								
Revenue	\$ 30,022	\$ 27,172	\$ 33,421	\$ 28,595	\$ 39,043	\$ 40,523	\$ 60,070	\$ 63,217
Production costs	25,348	26,203	31,151	28,619	34,789	22,688	28,095	26,758
Mine operating earnings before non-cash items ¹	4,674	969	2,270	(24)	4,254	17,835	31,975	36,459
Amortization and depletion and share-based compensation	4,592	3,992	5,713	5,310	6,910	7,945	9,152	9,127
Mine operating earnings (loss)	82	(3,023)	(3,443)	(5,334)	(2,656)	9,890	22,823	27,332
G&A expenses	3,496	2,967	2,772	3,187	3,540	4,302	2,246	3,416
EE&D expenses	1,799	1,810	3,058	2,558	1,847	1,753	1,331	2,128
Finance and other expense (income)	6,822	(2,872)	888	3,298	793	3,282	(1,296)	3,283
Net income (loss) from continuing operations	(12,052)	(4,927)	(9,998)	(14,464)	(8,707)	202	19,228	16,169
Basic and diluted earnings (loss) per share	(0.26)	(0.11)	(0.25)	(0.41)	(0.24)	0.00	0.54	0.46
Discontinued Operations								
Net income (loss) from discontinued operations	(276)	(3,958)	(3,807)	(3,583)	(1,350)	(533)	(5,617)	2,466
Net income (loss) for the period	(12,328)	(8,885)	(13,805)	(18,047)	(10,057)	(331)	13,611	18,635
Basic and diluted earnings (loss) per share	(0.26)	(0.20)	(0.34)	(0.51)	(0.28)	(0.01)	0.38	0.53
EBITDA ¹	(5,029)	(3,346)	(7,782)	(7,385)	(893)	9,244	26,130	31,436
	Q2 2022	Q1 2022	Q4 2021	Q3 2021	Q2 2021	Q1 2021	Q4 2020	Q3 2020
Tonnes milled ²	870,199	873,133	883,222	886,352	873,433	796,035	901,854	823,353
Production								
Gold (ounces)	16,629	14,037	19,330	16,325	20,696	22,996	32,017	31,803
Sales								
Gold ounces sold	16,076	14,393	18,621	16,031	21,459	23,022	31,802	33,112
Cost metrics								
Cash cost per gold ounce sold ¹	\$ 1,575	\$ 1,817	\$ 1,671	\$ 1,781	\$ 1,617	\$ 983	\$ 879	\$ 804
AISC per gold ounce sold excluding corporate G&A expenditures ¹	\$ 3,080	\$ 2,606	\$ 2,128	\$ 2,051	\$ 2,214	\$ 1,549	\$ 1,171	\$ 1,061
AISC per gold ounce sold ¹	\$ 3,299	\$ 2,824	\$ 2,284	\$ 2,288	\$ 2,383	\$ 1,741	\$ 1,244	\$ 1,167

Trends in revenue over the last eight quarters

Revenue varies based on the metal production level, timing of the sales of refined gold and metal concentrates, metal prices and terms of sales agreements. In Brazil, Tucano is affected by seasonal weather. During the wet season (normally from January through June), production rates are lower than during the dry season (normally July until December).

Metal production decreased in Q1 2021 due to the planned heavy stripping at Tucano and lower metal production at the GMC. Metal production decreased in Q2 2021 up to Q2 2022 due to the temporary stoppages in ore production from the UCS pit, as noted in the Company's news release on May 25, 2021, and October 8, 2021.

Trends in net income over the last eight quarters

The Company's net income is mainly dependent on fluctuations in metal prices, metal production rates, variability in the Mineral Resource, exploration, evaluation and development activities ("EE&D"), foreign exchange rates and seasonality of production at Tucano.

To mitigate its exposure to foreign exchange risk, the Company enters into forward currency contracts from time to time to manage exposure to the Brazilian Real. Such contracts can result in gains and losses, as these contracts are marked to market at the end of each reporting period. The Company did not enter into any hedges in Q2 2022 but will continue to monitor its exposure. Gains and losses on derivative instruments are included in finance and other income. Foreign exchange gains and losses are also included in

¹ The Company has included the non-GAAP performance measures cash cost per gold ounce sold, AISC per gold ounce sold excluding corporate G&A expenditures, AISC per gold ounce sold, mine operating earnings (loss) before non-cash items and EBITDA throughout this document. Refer to the Non-GAAP Measures section of this MD&A for an explanation of these measures and reconciliation to the Company's financial results reported in accordance with IFRS. As these are not standardized measures, they may not be directly comparable to similarly titled measures used by others and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS.

² Excludes purchased ore.

finance and other income and arise from the translation of foreign currency-denominated transactions and balances into the functional currencies of the Company and its subsidiaries.

The Company's EE&D expenditures primarily reflect Coricancha care and maintenance and project expenditures after its acquisition in June 2017.

G&A expenditures are consistent over the last eight quarters except for non-recurring G&A charges related to management changes in Q1 2021.

LIQUIDITY AND CAPITAL RESOURCES

Net working capital including cash and cash equivalents

(000s)	Q2 2022	Q2 2021	YTD Q2 2022	YTD Q2 2021
Cash flows from operating activities before changes in non-cash working capital	\$ (8,318)	\$ (932)	\$ (12,827)	\$ 6,358
Changes in non-cash working capital	16,596	7,437	12,486	2,476
Net cash provided by operating activities	8,278	6,505	(341)	8,834
Net cash used in investing activities	(13,614)	(14,886)	(25,122)	(27,878)
Net cash provided by (used in) financing activities	(5,349)	(2,569)	(842)	(9,812)
Effect of foreign currency translation on cash and cash equivalents	(1,127)	715	175	689
Increase (decrease) in cash and cash equivalents	(11,812)	(10,235)	(26,130)	(28,167)
Cash and cash equivalents, beginning of period continuing operations	33,374	45,464	47,692	63,396
Less cash and cash equivalents classified as asset held for sale	(504)	—	(504)	—
Cash and cash equivalents, end of period	\$ 21,058	\$ 35,229	\$ 21,058	\$ 35,229

Operating activities

Cash flows from operating activities, before changes in non-cash working capital, were negative \$8.3 million for Q2 2022, a decrease of \$7.4 million over the comparable period of 2021. This decrease is attributable primarily to lower gold and silver ounces sold, lower realized silver prices, and higher cash costs stemming from the factors described previously. Including changes in non-cash working capital, cash flow from operating activities was \$8.3 million for Q2 2022 compared with \$6.5 million for Q2 2021. The changes in non-cash working capital were mainly due to the successful recovery of \$7.4 million of outstanding PIS/COFINS tax receivable balances, and timing of payments of trade payables and accrued liabilities.

For YTD Q2 2022, cash flows provided by operating activities before changes in non-cash working capital amounted to negative \$12.8 million, compared with \$6.4 million in the comparable period of 2021. This \$19.2 million decrease is primarily due to higher total cash costs described previously along with lower gold ounces sold, partly offset by higher realized gold prices. Net cash used in operating activities was \$0.3 million.

Investing activities

For Q2 2022, the Company's cash outflows included \$22.1 million for additions to mineral properties, plant and equipment (including \$15.0 million of capitalized stripping costs at Tucano), and \$4.6 million in relation to the environmental bond at Coricancha. The Company's cash outflows for Q2 2021 included \$14.5 million in additions to mineral properties, plant and equipment (including \$10.4 million of capitalized stripping costs at Tucano), and \$0.4 million in relation to the environmental bond at Coricancha. Cash inflows from investing activities included the \$13.0 million payment made by Nyrstar to the Company following the Coricancha settlement of the reimbursement rights

For YTD Q2 2022, the Company's cash outflows included \$33.6 million in plant and equipment (including \$23.0 million of capitalized stripping at Tucano), and \$4.6 million in relation to the environmental bond at Coricancha. The investing cash outflows for YTD Q2 2021 related to \$27.5 million in plant and equipment additions (including \$21.2 million of capitalized stripping at Tucano), and \$0.4 million in relation to the environmental bond at Coricancha. Cash inflows from investing activities included the \$13.0 million payment made by Nyrstar to the Company following the Coricancha settlement of the reimbursement rights

Financing activities

Net cash flows used in financing activities of \$5.3 million during Q2 2022 is primarily attributable to \$5.7 million in net cash repayment of borrowings and \$2.7 million for payment of lease liabilities, partly offset by \$3.0 million from the issuance of common shares pursuant to the ATM Facility. The \$2.6 million cash used in financing activities in Q2 2021 consisted of \$1.4 million in net cash repayment of borrowings and \$1.5 million payment of lease liabilities, partially offset by \$0.3 million in proceeds from the exercise of stock options.

For YTD Q2 2022, net cash flow provided by financing activities of \$0.8 million during Q2 2022 is primarily attributable to \$2.3 million in net cash repayment of borrowings and \$4.3 million for payment of lease liabilities, partly offset by \$5.7 million from the issuance of common shares pursuant to the ATM Facility. The financing cash outflow for YTD Q2 2021 related to the \$7.1 million in principal net cash repayments on borrowings and \$3.0 million in lease liability payments, partly offset by \$0.3 million in proceeds from the exercise of stock options.

Trends in liquidity and capital resources

As at June 30, 2022, the Company has cash and cash equivalents of \$21.1 million and a net working capital deficiency of \$39.2 million. The Company has \$41.5 million of current borrowings at June 30, 2022, including \$25.2 million of unsecured bank facilities. Historically, the Company has generally been able to renew or replace the unsecured bank facilities but cannot provide assurance that it will do so in the future. The unsecured bank facilities are interest-bearing at a weighted average fixed interest rate of 5.35% per annum.

On October 15, 2021, the Company entered into an ATM Agreement with H.C. Wainwright & Co., LLC, pursuant to which the Company may issue up to \$25.0 million at prevailing market prices during the term of the ATM Agreement. During the six months ended June 30, 2022, the Company issued 24,868 common shares under the ATM Facility for net proceeds of \$5.7 million.

On November 12, 2021, the Company closed a bought deal financing for aggregate gross proceeds of \$23.0 million, pursuant to which commission to the underwriters was \$21.4 million. A reconciliation between the Company's planned use of the net proceeds from the bought deal financing and the actual use of proceeds as at June 30, 2022 is as follows:

(\$ millions)	Intended Use of Proceeds	Total Spend to June 30, 2022
Underground mine development at Tucano	\$ 8.1	\$ 1.6
Exploration programs at Tucano	7.0	2.0
Working capital and general corporate purposes	6.3	6.3
Total	\$ 21.4	\$ 9.8

The Company expects to generate positive cash flows from its mining operations in 2022 prior to capital investments, exploration and evaluation and development costs, and debt repayment obligations, at current metal prices and at current exchange rates for the BRL to the USD. This also assumes no further significant disruptions to production related to government measures to reduce the spread of COVID-19, further inflationary pressures or delays in contractor mobilization. The Company has determined that it will require further financing and will consider additional equity financing (including through use of the ATM Facility) and debt financing, if necessary, to meet long-term objectives and improve working capital, fund planned capital investments and exploration programs for its operating mines, and meet scheduled debt repayment obligations.

Adverse movement in metal prices, unforeseen impacts to the Company's operation, and the inability to renew or extend existing credit facilities that become due may increase the need to raise new external sources of capital. The inability to access sources of capital could adversely impact the Company's liquidity and require the Company to curtail capital and exploration program and other discretionary expenditures.

The Company has determined that the factors above indicate the existence of material uncertainty over the Company's ability to meet its obligations in the next 12 months, which creates substantial doubt about the Company's ability to continue as a going concern.

If for any reason the Company is unable to continue as a going concern, this could have a material impact on the Company's ability to realize assets at their recognized values, in particular mineral properties, plant and equipment, and to extinguish liabilities in the normal course of business at the amounts stated in the consolidated financial statements.

Over the next 12 months, the Company expects to continue to focus on Tucano optimization and exploration. In addition, the Company is expediting studies to support a decision to initiate underground production at Tucano to supplement the open pit ore. In Peru, the Company will be further evaluating options for Coricancha.

The Company's cash flows from continuing operations are very sensitive to the prices of gold and foreign exchange rate fluctuations, as well as fluctuations in ore grades and other operating factors. Consequently, any cash flow outlook the Company provides may vary significantly from actual results. Spending and capital investment plans may also be adjusted in response to changes in operating cash flow expectations.

Contractual obligations

(000s)	Total	1 year	2-3 years	4-5 years	Thereafter
Operating lease payments	\$ 1	\$ 1	\$ –	\$ –	\$ –
Equipment purchases	207	207	–	–	–
Debt obligations	43,389	41,514	1,875	–	–
Capital lease obligations	13,447	6,292	7,155	–	–
Other financial obligations	51,463	51,272	191	–	–
Total	\$ 108,507	\$ 99,286	\$ 9,221	\$ –	\$ –

Off-balance sheet arrangements

The Company had no material off-balance sheet arrangements as at the date of this MD&A that have, or are reasonably likely to have, a current or future effect on the Company's financial performance or financial condition.

TRANSACTIONS WITH RELATED PARTIES

The Company had no material transactions with related parties.

CRITICAL ACCOUNTING ESTIMATES

The preparation of the consolidated financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions which affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenue and expenses during the reporting period. Estimates are based on historical experience, and other factors considered to be reasonable and are reviewed on an ongoing basis. Actual results may differ from these estimates.

Refer to note 4 of the 2021 annual audited consolidated financial statements for a detailed discussion of the areas in which critical accounting estimates are made and where actual results may differ from the estimates under different assumptions and conditions and may materially affect financial results of its statement of financial position reported in future periods.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized when the estimates are revised and in any future periods affected.

CHANGES IN ACCOUNTING STANDARDS**New and amended IFRS standards not yet effective**

New accounting standards and interpretations that have been published are not required to be adopted for the current period and have not been early adopted. These standards are not expected to have a material impact on the Company.

FINANCIAL INSTRUMENTS – CONTINUING OPERATIONS

(000s)	Fair value ¹	Basis of measurement	Associated risks
Cash and cash equivalents	\$ 21,058	Amortized cost	Credit, currency, interest rate
Marketable securities	\$ 121	Fair value through other comprehensive income (loss)	Exchange
Trade receivables	\$ –	Amortized cost	Credit, commodity price
Restricted cash	\$ 9,215	Amortized cost	Credit, currency, interest rate
Trade payables and accrued liabilities	\$ 57,564	Amortized cost	Currency, liquidity
Borrowings	\$ 43,389	Amortized cost	Currency, liquidity, interest rate

The Company may be exposed to risks of varying degrees of significance from financial instruments. Management's close involvement in the operations allows for the identification of risks and variances from expectations. A discussion of the types of risks the Company is exposed to and how such risks are managed by the Company is provided in note 24 of the annual audited consolidated financial statements for the year ended December 31, 2021.

SECURITIES OUTSTANDING

As of the date of this MD&A, the Company had 47,137,066 common shares issued and outstanding. There were 1,439,273 options, 340,728 restricted share units, 338,831 performance-based restricted share units, and 491,436 deferred share units outstanding.

On July 21, 2022, the Company announced that the Company's common shares were consolidated at a ratio of 10 pre-consolidation common shares to one post-consolidation common share. The Common Shares began trading on a post-Consolidation basis on the Toronto Stock Exchange and NYSE American on July 25, 2022. All outstanding incentive stock options granted pursuant to the Company's Omnibus Incentive Plan will be adjusted in accordance with their terms to increase their exercise price by a factor of 10 and to reduce the number of Common Shares issued upon exercise by dividing by 10. Appropriate adjustments to reflect the consolidation will also be made to outstanding deferred share units, restricted share units and performance share units granted pursuant to the Omnibus Incentive Plan.

INTERNAL CONTROLS OVER FINANCIAL REPORTING

The Company's management is responsible for establishing and maintaining adequate internal control over financial reporting to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the financial statements for external purposes in accordance with IFRS. There have been no changes that occurred during the three months ended June 30, 2022, that have materially affected or are reasonably likely to affect internal controls over financial reporting materially. Any system of internal control over financial reporting, no matter how well designed, has inherent limitations. Therefore, even those systems determined to be effective can provide only reasonable assurance with respect to financial preparation and presentation. In addition, projections of any evaluation of the effectiveness of internal control over financial reporting to future periods are subject to the risk that the controls may become inadequate because of changes in conditions or that the degree of compliance with the policies or procedures may deteriorate.

DISCLOSURE CONTROLS AND PROCEDURES

The Company's management is also responsible for the design and effectiveness of disclosure controls and procedures that are designed to provide reasonable assurance that material information related to the Company, including its consolidated subsidiaries, is made known to the Company's certifying officers. There have been no changes that occurred during the three months ended June 30, 2022, that have materially affected or are reasonably likely to affect the Company's disclosure controls and procedures.

TECHNICAL INFORMATION

The scientific and technical information contained in this MD&A has been reviewed and approved by Fernando A. Cornejo, M.Eng., P. Eng., the Company's Chief Operating Officer, and Nicholas Winer, FAusIMM, the Company's Vice President, Exploration each of whom is a non-independent Qualified Person, as the term is defined in Canadian National Instrument 43-101 - *Standards of Disclosure for Mineral Projects* ("NI 43-101").

¹ As at June 30, 2022.

For more detailed information regarding the Company's material mineral properties and technical information related thereto, including a complete list of the technical reports applicable to such properties, refer to the Company's most recent AIF filed at www.sedar.com or the Company's most recent reports on Form 40-F and Form 6-K filed with the SEC at www.sec.gov/edgar.

NON-GAAP MEASURES

The Company has included certain non-GAAP performance measures throughout this MD&A, including EBITDA, mine operating earnings before non-cash items, cash cost per gold ounce sold, AISC per gold ounce sold, and AISC per gold ounce sold excluding corporate G&A expenditures, each as defined in this section. The Company employs these measures internally to measure its operating and financial performance and assist in business decision making. The Company believes that, in addition to conventional measures prepared in accordance with IFRS, certain investors and other stakeholders also use these non-GAAP measures as information to evaluate the Company's operating and financial performance. As there are no standardized methods of calculating these non-GAAP measures, the Company's procedures may differ from those used by others. Therefore, the use of these measures may not be directly comparable to similarly titled measures used by others. Accordingly, these non-GAAP measures are intended to provide additional information. They should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS.

EBITDA

EBITDA indicates the Company's continuing capacity to generate income from operations before considering the Company's financing decisions and costs of amortizing capital assets. Accordingly, EBITDA comprises net income (loss) from continuing operations excluding finance and accretion expense, finance income, amortization and depletion and income tax expense (recovery). The Company discloses EBITDA to aid in understanding the results of the Company.

(000s)	Q2 2022	Q2 2021	YTD Q2 2022	YTD Q2 2021
Net income (loss) from continuing operations	\$ (12,052)	\$ (8,707)	\$ (16,979)	\$ (8,504)
Income tax expense (recovery)	17	(129)	17	221
Finance income	(87)	(35)	(133)	(84)
Finance expense	1,350	529	2,140	1,397
Accretion expense	1,109	541	1,829	993
Amortization and depletion	4,634	6,908	8,709	14,863
EBITDA	\$ (5,029)	\$ (893)	\$ (4,417)	\$ 8,886

Mine operating earnings before non-cash items

Mine operating earnings before non-cash items provide a measure of the Company's mine operating earnings on a cash basis. This measure is provided to better assess the cash generation ability of the Company's operations before G&A expenses, EE&D expenses, share-based compensation and amortization. A reconciliation of mine operating earnings is provided in the *Consolidated Results of Operations* section.

Cash cost per gold ounce sold, AISC per gold ounce sold and AISC per gold ounce sold, excluding corporate G&A expenditures

The Company uses cash costs per gold ounce sold and AISC per gold ounce sold to manage and evaluate operating performance at each of its mines. These metrics are widely reported measures in the precious metals mining industry as benchmarks for performance but do not have standardized meanings. Cash costs are calculated based on the total cash operating costs with the deduction of revenue attributable to sales of by-product metals, net of the respective smelting and refining charges.

AISC is an extension of cash costs that include additional costs that reflect the varying costs of producing gold over the life cycle of a mine. These include sustaining capital expenditures, sustaining EE&D expenses, G&A expenses and other costs that are not typically reported as cash costs. Sustaining expenditures are those costs incurred to sustain and maintain existing assets at current productive capacity and constant planned levels of productive output. Non-sustaining expenditures result in a material increase in the life of assets, materially increase resources or reserves, productive capacity, or future earning potential, or result in significant improvements in recovery or grade. Non-sustaining expenditures are not included in the calculation of AISC.

AISC excluding corporate G&A expenses reflects the AISC at the Company's operating mines. The calculation starts with cash cost net of by-product revenues and adds accretion of reclamation provisions, lease liability payments, sustaining EE&D expenses, and sustaining capital expenditures for the operating mines. Sustaining expenditures are those costs incurred to sustain and maintain existing assets at current productive capacity and constant planned levels of productive output.

The following reconciles production costs reported in the consolidated financial statements to cash costs per gold ounce sold, AISC per gold ounce sold, and AISC per gold ounce sold, excluding and including corporate G&A expenses for Q2 and YTD Q2 2022 and 2021:

	Q2 2022		Q2 2021		YTD Q2 2022		YTD Q2 2021	
	Tucano	Including Corporate costs	Tucano	Including Corporate costs	Tucano	Including Corporate costs	Tucano	Including Corporate costs
Production costs (sales basis)	\$ 25,348	\$ 25,453	\$ 34,789	\$ 34,923	\$ 51,552	\$ 51,722	\$ 57,478	\$ 57,711
Share-based compensation	—	(105)	—	(134)	—	(170)	—	(233)
Smelting and refining charges	9	9	11	11	17	17	24	24
By-product revenues	(45)	(45)	(103)	(103)	(96)	(96)	(183)	(183)
Cash operating costs, net of by-product revenue (A)	\$ 25,312	\$ 25,312	\$ 34,697	\$ 34,697	\$ 51,473	\$ 51,473	\$ 57,319	\$ 57,319
G&A expenses	—	2,903	—	2,946	—	5,680	—	6,687
Lease liability payments	2,452	2,518	1,284	1,327	3,751	3,883	2,551	2,656
Share-based compensation	—	540	—	642	—	682	—	1,231
Accretion	395	395	264	264	808	808	456	456
Sustaining EE&D expenses	—	—	1	13	1	152	21	58
Stripping costs	14,979	14,979	10,391	10,391	23,020	23,020	21,212	21,212
Sustaining capital expenditures	6,380	6,380	863	863	7,970	7,970	1,608	1,608
All-in sustaining costs (B)	\$ 49,518	\$ 53,027	\$ 47,500	\$ 51,143	\$ 87,023	\$ 93,668	\$ 83,167	\$ 91,227
Gold ounces sold (C)	16,076	16,076	21,459	21,459	30,469	30,469	44,480	44,480
Cash cost per gold ounce sold (A+C)	\$ 1,575	\$ 1,575	\$ 1,617	\$ 1,617	\$ 1,689	\$ 1,689	\$ 1,289	\$ 1,289
AISC per gold ounce sold (B+C)	\$ 3,080	\$ 3,299	\$ 2,214	\$ 2,383	\$ 2,856	\$ 3,074	\$ 1,870	\$ 2,051

CAUTIONARY STATEMENT ON FORWARD-LOOKING STATEMENTS

Certain of the statements and information in this document constitute “forward-looking statements” within the meaning of the United States “Private Securities Litigation Reform Act” of 1995 and “forward-looking information” within Canadian securities laws (collectively, “forward-looking statements”). All statements, other than statements of historical fact, addressing activities, events or developments that the Company expects or anticipates will or may occur in the future are forward-looking statements. Forward-looking statements are often, but not always, identified by the words “anticipates”, “believes”, “expects”, “may”, “likely”, “plans”, “intends”, “expects”, “may”, “forecast”, “project”, “budgets”, “guidance”, “targets”, “potential”, and “outlook”, or similar words, or statements that certain events or conditions “may”, “might”, “could”, “can”, “would”, or “will” occur. Forward-looking statements reflect the Company’s current expectations and assumptions and are subject to a number of known and unknown risks, uncertainties and other factors, which may cause the Company’s actual results, performance or achievements to be materially different from any anticipated future results, performance or achievements expressed or implied by the forward-looking statements.

In particular, this MD&A includes forward-looking statements relating to estimates, forecasts, and statements as to management’s expectations, opinions and assumptions with respect to the future production of gold, silver, lead and zinc; profit, operating costs and cash flows; grade improvements; capital and exploration expenditures, plans, timing, progress, and expectations for the development of the Company’s mines and projects, including its planned exploration and drilling program (metres drilled); plans to evaluate future financing opportunities, including equity and debt financing opportunities; the timing of production and the cash and total costs of production; sensitivity of earnings to changes in commodity prices, exchange rates, as well as fluctuations in ore grades and other operating factors; the outcome of legal proceedings; the impact of foreign currency exchange rates; and the future plans and expectations for the Company’s properties and operations. Examples of specific information in this MD&A and or incorporated by reference to the consolidated financial statements for the three and six months ended June 30, 2022, that may constitute forward-looking statements are:

Regarding Tucano:

- expectations regarding the ongoing geotechnical control of UCS and related slope stability; including expectations regarding the Company’s remediation work at the UCS open pit, the costs of and time to complete such work, and the Company’s expectation of the resulting benefits;
- expectations regarding the production profile for Tucano and its ability to meet production and cost guidance for 2022;
- expectations regarding Tucano’s exploration potential, including regional and multiple in-mine and near-mine opportunities with the potential to extend the mine life by converting Mineral Resources to Mineral Reserves or discovering new Mineral Resources and its plans to target these opportunities;
- expectations regarding the (i) potential for additional near-term gold production resulting from exploration activities at the URN pit; (ii) potential to develop the underground mine to supplement the open pit feed to the mill and expectations around the timeline for the studies in support of such decision, (iii) potential for high-grade mineralization at the URN open pit to allow extension of the mineable area of the pit and the related expectations of continuity of the underground zone; (iv) the estimated potential for the underground mine below the current URN open pit; and (v) whether Great Panther’s exploration program will support a decision for the start-up of the underground project;
- expectations regarding the results of planned exploration activities, including plans for further exploration drilling and infill drilling, that may not result in the discovery of new Mineral Resources/definition of Mineral Resources. Readers are cautioned that Mineral Resources that are not Mineral Reserves have no defined economic viability;
- expectations regarding the Company’s ability to obtain all necessary permits, licenses and regulatory approvals in a timely manner on favourable terms; changes in laws, regulations and government practices.
- expectation that the Company will be successful in the defense and appeal of fines received from the Amapá State Environmental Agency (“SEMA”) in connection with SEMA’s investigation of a fish mortality event at creeks located near Tucano;
- expectations that the Company plans to focus on continued Tucano optimization and exploration over the next 12 months;
- expectations regarding capital and operating expenditures at Tucano,
- expectations regarding the ability to successfully onboard the new mining contractor, to resolve concerns over equipment availability and lost production volumes with existing contractor, and to achieve a smooth transition of mining contractors; and

- expectations regarding the Company's ability to comply with new regulations regarding tailings dam criteria and review processes and to secure the required permits for new tailings storage capacity beyond mid-2024 at competitive costs.

Regarding Mexico:

- expectations regarding the Company's ability to satisfy all closing conditions and complete the sale of its Mexico assets;

Regarding Coricancha:

- expectations that pending proposals for modification of an approved closure plan will conclude with the approval of the MEM, which may also resolve any related fines or penalties;
- expectations regarding the availability of funds to restart production, the timing of any production decision, and the ability to restart a commercially viable mine;
- if applicable, expectations regarding the costs to restart Coricancha;
- expectations that Coricancha can be restarted and operated on the operating assumptions confirmed by the BSP, which are preliminary in nature and are not based on Mineral Resources that have been defined as Mineral Reserves and include Inferred Mineral Resources that are considered too speculative geologically to have the economic considerations applied to them;
- opportunities relating to optimization of mining, future exploration and the expansion of the mine life indicated under the PEA, which is preliminary in nature and is not based on Mineral Resources that have been defined as Mineral Reserves and include Inferred Mineral Resources that are considered too speculative geologically to have the economic considerations applied to them;
- expectations the potential exposure of the Company to fines related to legacy tailings facilities;
- expectations regarding the reclamation process, including the timing and cost to complete required reclamation and the impact of Mine Closure Law introduced by the Peruvian government on August 18, 2021, and the potential impact, if any, on the Company's liquidity; and
- expectations regarding SUNAT's claim for outstanding taxes.

Regarding general operational and corporate matters:

- expectation that the Company will be able to meet consolidated 2022 production and AISC guidance, including the assumptions related thereto;
- expectations regarding the Company's cash flows from operations in 2022;
- expectations regarding access to capital and the Company's ability to raise additional debt or equity including any sales under the ATM Facility over the next 12 months to improve working capital, fund further expansion, mine development, capital investments and exploration programs for its operating mines, for acquisitions, working capital needs and to meet scheduled debt repayment obligations;
- the Company's plans to evaluate and pursue acquisition opportunities to complement its existing portfolio;
- expectations that the Company's operations will not be impacted materially by government or industry measures to control the spread of COVID-19, including the impact of future orders of federal governments to curtail or cease mining operations in Brazil, Mexico or Peru;
- estimates made by management in the preparation of the Company's financial statements relating to the assessments of provisions for loss and contingent liabilities relating to legal proceedings and the estimation of the carrying value of the Company's mineral properties;
- estimates concerning reclamation and remediation obligations and the assumptions underlying such estimates;
- expectations that metallurgical, environmental, permitting, legal, title, taxation, socio-economic, political, social, marketing or other issues will not materially affect the Company's estimates or Mineral Reserves and Mineral Resources or its future mining plans; and

- expectations in respect of permitting and development activities; and
- expectation the Company will be able to attract and maintain qualified key management personnel including the appointment of a permanent CEO.

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 that, while considered reasonable by the Company, are inherently subject to significant operational, business, economic and regulatory uncertainties and contingencies. These assumptions include:

- the assumptions underlying the Company's revised 2022 production and AISC guidance continuing to be accurate;
- continued operations at the Company's mines for 2022 without significant interruption due to COVID-19 or any other reason;
- continued operations at Tucano in accordance with the Company's revised mine plan, including the expectations regarding the ongoing geotechnical control of UCS and planned pushback activities;
- the accuracy of the Company's Mineral Reserve and Mineral Resource estimates and the assumptions upon which they are based;
- ore grades and recoveries; prices for silver, gold, and base metals remaining as estimated;
- currency exchange rates remaining as estimated, including the BRL to USD exchange rate of 5.35 used in the revised 2022 AISC guidance;
- the Company will not be required to further impair Tucano as the current open-pit Mineral Reserves are depleted;
- prices for energy inputs, labour, materials, supplies and services (including transportation);
- all necessary permits, licenses and regulatory approvals for the Company's operations are received in a timely manner on favourable terms, including that the Company will receive an extension of its existing operating permit for Tucano in due course as this license officially expired in November 2021 but remains in full force and effect while the permitting authority completes its normal course review, and that the Company will successfully secure the necessary permits to allow the commencement of development activities for the URN underground project;
- Tucano will be able to continue to use cyanide in its operations;
- the Company will comply with new tailings dam criteria and review processes and secure the required permits for new tailings storage capacity beyond mid-2024 at competitive costs;
- the Company will be successful in its federal appeal regarding, among other matters, the ban on the use of cyanide in respect of the Tucano operations and will be able to continue to use cyanide in its operations;
- the Company will meet its production forecasts and generate the anticipated cash flows from operations for 2022 with the result that the Company will be able to meet its scheduled debt payments when due;
- the accuracy of the information included or implied in the various published technical reports;
- the geological, operational and price assumptions on which these technical reports are based;
- the ability to procure equipment and operating supplies and that there are no unanticipated material variations in the cost of energy or supplies;
- the execution and outcome of current or future exploration activities and ability to obtain all necessary permits, licenses and regulatory approvals in a timely manner on favorable terms;
- the ability to obtain adequate financing for planned activities and to complete further exploration programs;
- operations not being disrupted by issues such as workforce shortages, mechanical failures, labour or social disturbances, illegal occupations or mining, seismic events and adverse weather conditions;
- the assumption that the Mine Closure Law introduced by the Peruvian government on August 18, 2021 will not have a material impact on the Company's liquidity;
- the Company will be successful in the defense and appeal of fines received from SEMA in connection with SEMA's investigation of a fish mortality event at creeks located near Tucano;

- the Company will obtain permits for Phase II North extension at the Topia mine; and
- the Company's ability to maintain its stock exchange listings.

These forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the actual results, performance or achievements expressed or implied by such forward-looking statements to be materially different. Such factors include, among others, risks and uncertainties relating to:

- open pit mining operations at Tucano have a limited established mine life and the Company may not be able to extend the mine life for Tucano open-pit operations beyond 2023 as anticipated or maintain production levels consistent with past production as Mineral Reserves are depleted;
- the Company may experience an increase in COVID-19 infection amongst its employees and contractors even with the adoption of enhanced safety protocols and safeguards;
- the Company cannot provide assurance that there will not be interruptions to its operations in the future as a result of COVID-19 including: (i) the impact restrictions that governments may impose or the Company voluntarily imposes to address COVID-19 which if sustained or resulted in a significant curtailment could have a material adverse impact on the Company's production, revenue and financial condition and may materially impact the Company's ability to meet its production guidance included herein and complete near-mine and regional exploration plans at Tucano; (ii) shortages of employees; (iii) unavailability of contractors and subcontractors; (iv) interruption of supplies and the provision of services from third parties upon which the Company relies, which may reduce recovery rates and reduce throughput; (v) restrictions that governments impose to address the COVID-19 outbreak; (vi) disruptions in transportation services that could impact the Company's ability to deliver gold doré and metal concentrates to refineries; (vii) restrictions that the Company and its contractors and subcontractors impose to ensure the safety of employees and others; (viii) restrictions on operations imposed by governmental authorities; (ix) delays in permitting; and (x) the Company may not be able to modify its operations in order to maintain production, including the availability to modify work shifts at Tucano, if necessary;
- the Company's ability to appropriately capitalize and finance its operations, including the risk that the Company is: (i) unable to renew or extend existing credit facilities that become due, which may increase the need to raise new external sources of capital; or (ii) unable to access sources of capital which could adversely impact the Company's liquidity and require the Company to curtail its capital and exploration program, and other discretionary expenditures;
- planned exploration activities may not result in the conversion of existing Mineral Resources into Mineral Reserves or discovery of new Mineral Resources;
- the Company may be unable to meet its production forecasts or to generate the anticipated cash flows from operations, and as a result, the Company may be unable to meet its scheduled debt payments when due or to meet financial covenants to which the Company is subject;
- the inherent risk that estimates of Mineral Reserves and Resources may not be accurate and accordingly that mine production and recovery will not be as estimated or predicted;
- gold, silver and base metal prices may decline or may be less than forecasted or may experience unpredictable fluctuations;
- fluctuations in currency exchange rates (including the USD to BRL exchange rate) may increase costs of operations;
- the Company may not be able to continue mining the UCS pit as planned and be able to access the UCS Mineral Reserves which may adversely impact the Company's production plans, future revenue and financial condition;
- the Company may not be able to complete the sale of its Mexican operations due to a failure to meet all closing conditions or to external factors causing a material adverse effect;
- operational and physical risks inherent in mining operations (including pit wall collapses, tailings storage facility failures, environmental accidents and hazards, industrial accidents, equipment breakdown, unusual or unexpected geological or structural formations, cave-ins, flooding and severe weather) may result in unforeseen costs, shutdowns, delays in production and exposure to liability;
- pushback activities intended to improve pit wall stability at the UCS open pit may not result in the expected benefits or may take longer or cost more to complete than initially anticipated, which could increase the Company's costs and delay realization of revenues from UCS;

- liabilities that the Company may incur may exceed the policy limits of its insurance coverage or may not be insurable, in which case the Company could incur significant costs that could adversely impact the Company's business, operations, profitability, or value;
- the Company may not be able to identify or complete acquisition opportunities or if completed, such acquisition may not be accretive to the Company, which could impact the long-term viability of the Company's business;
- management's estimates regarding the carrying value of its mineral properties may be subject to change in future financial periods, which may result in further write-downs and consequential impairment loss;
- management's estimates in connection with the assessment of provisions for loss and contingent liabilities relating to legal proceedings may differ materially from the ultimate loss or damages incurred by the Company;
- the potential for unexpected and excessive costs and expenses and the possibility of project delays could result in those projects becoming unviable or contributing less than expected value to the Company;
- the Company's ability to obtain and maintain all necessary permits, licenses and regulatory approvals in a timely manner and on favourable terms, including the company's Tucano operating permit which is currently under normal course review and the necessary permits to commence the development of the URN underground project could delay the Company's ability to continue its operations or to develop its exploration properties at a pace that allows the uninterrupted extension of the mine life at Tucano;
- changes in laws, regulations and government practices in the jurisdictions in which the Company operates;
- unanticipated operational difficulties due to adverse weather conditions, failure of plant or mine equipment and unanticipated events related to health, safety, and environmental matters could negatively impact the Company's production;
- uncertainty of revenue, cash flows and profitability, the potential to achieve any particular level of recovery, the costs of such recovery, the rates of production and costs of production, where production decisions are not based on any feasibility studies of Mineral Reserves demonstrating economic and technical viability could negatively impact Company's cash flow generation capability;
- cash flows may vary, and the Company's business may not generate sufficient cash flow from operations to enable it to satisfy its debt and other obligations;
- an unfavourable decision by the MEM with respect to the proposed modification to the Coricancha closure plan could result in reclamation costs being higher in the near-term than planned;
- fines, penalties, regulatory actions or charges against the Company's Coricancha subsidiary in relation legacy tailings facilities may be imposed while the Company continues to await a response from the government on its request for a Modified Mine Closure plan;
- counterparties may fail to perform their contractual obligations;
- litigation risk, including the risk that the Company will not be successful in resolving its existing litigation or that it will become subject to further litigation in the future which could increase the Company's costs associated with these claims;
- GPC may ultimately be found liable for approximately \$20.0 million in unpaid taxes of the leasing company that sold the Coricancha mining assets to GPC in March 2006 prior to the Company's acquisition of Coricancha effective June 30, 2017, and this could have a material impact on the Peruvian subsidiary's financial position;

- the risk that the Company will not be successful in the defense and appeal of fines received from SEMA in connection with SEMA's investigation of a fish mortality event at creeks located near Tucano and that payment of the fines has an adverse impact on the Company's liquidity;
- the potential for new permitting regulations to negatively impact the Company's ability to maintain its existing tailings facilities without any modifications and to secure new tailings capacity at competitive costs or at all;
- the risk that the loss of any key personnel may have a material adverse effect on the Company, its business and its financial position; and
- the risk that the Company does not maintain its listing on the exchanges where it trades and that any delisting may have a material impact on the liquidity of its stock and its ability to raise capital.

and other risks and uncertainties, including those described in respect of Great Panther in its most recent AIF, and subsequent material change reports filed with the Canadian Securities Administrators available at www.sedar.com and reports on Form 40-F and Form 6-K filed with the SEC and available at www.sec.gov/edgar.

This list is not exhaustive of the factors that may affect any of the Company's forward-looking statements or information. Forward-looking statements or information are statements about the future and are inherently uncertain. Actual achievements of the Company or other future events or conditions may differ materially from those reflected in the forward-looking statements or information.

The Company's forward-looking statements and information are based on the assumptions, beliefs, expectations and opinions of management as of the date of this MD&A. The Company will update forward-looking statements and information if and when, and to the extent required by applicable securities laws. Readers should not place undue reliance on forward-looking statements. The forward-looking statements contained herein are expressly qualified by this cautionary statement.

Further information can be found in the section entitled "Risk Factors" in the most recent Form 40-F/AIF on file with the SEC and Canadian provincial securities regulatory authorities. Readers are advised to carefully review and consider the risk factors identified in the Form 40-F/AIF for a discussion of the factors that could cause the Company's actual results, performance and achievements to be materially different from any anticipated future results, performance or achievements expressed or implied by the forward-looking statements. It is recommended that prospective investors consult the complete discussion of the Company's business, financial condition and prospects that is included in the Form 40-F/AIF.

CAUTIONARY NOTE TO UNITED STATES INVESTORS CONCERNING ESTIMATES OF MEASURED, INDICATED AND INFERRED RESOURCES

As a British Columbia corporation and a “reporting issuer” under Canadian securities laws, the Company is required to provide disclosure regarding its mineral properties in accordance with NI 43-101. 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. In accordance with NI 43-101, the Company uses the terms Mineral Reserves and Resources as they are defined in accordance with the CIM Definition Standards on Mineral Reserves and Resources (the “CIM Definition Standards”) adopted by the Canadian Institute of Mining, Metallurgy and Petroleum.

The SEC has adopted amendments to its disclosure rules to modernize the mineral property disclosure requirements for issuers whose securities are registered with the SEC under the *United States Securities Exchange Act of 1934* (the “US Exchange Act”). These amendments became effective on February 25, 2019 (the “SEC Modernization Rules”). The SEC Modernization Rules have replaced the historical property disclosure requirements for mining registrants that were included in *SEC Industry Guide 7*, which have been rescinded. As a “foreign private issuer” that is eligible to file reports with the SEC pursuant to the multi-jurisdictional disclosure system (the “MJDS”), the Company is not required to provide disclosure on its mineral properties under the SEC Modernization Rules and will continue to provide disclosure under NI 43-101. If the Company ceases to be a foreign private issuer or loses its eligibility to file its annual report on Form 40-F pursuant to the MJDS, then the Company will be subject to the SEC Modernization Rules, which differ from the requirements of NI 43-101.

The SEC Modernization Rules include the adoption of terms describing Mineral Reserves and Mineral Resources that are substantially similar to the corresponding terms under the CIM Definition Standards. As a result of the adoption of the SEC Modernization Rules, SEC now recognizes estimates of Measured Mineral Resources, Indicated Mineral Resources and Inferred Mineral Resources. In addition, the SEC has amended its definitions of Proven Mineral Reserves and Probable Mineral Reserves to be substantially similar to the corresponding CIM Definitions.

United States investors are cautioned that while the terms used in the SEC Modernization Rules are substantially similar to CIM Definition Standards, there are differences in the definitions under the SEC Modernization Rules and the CIM Definition Standards. Accordingly, there is no assurance any Mineral Resources that the Company may report as “Measured Mineral Resources”, “Indicated Mineral Resources” and “Inferred Mineral Resources” under NI 43-101 would be the same had the Company prepared the resource estimates under the standards adopted under the SEC Modernization Rules. United States investors are also cautioned that while the SEC will now recognize “measured mineral resources”, “indicated mineral resources” and “inferred mineral resources”, investors should not assume that any part or all of the mineral deposits in these categories would ever be converted into a higher category of Mineral Resources or into Mineral Reserves. Mineralization described by these terms has a great amount of uncertainty as to their existence, and great uncertainty as to their economic and legal feasibility. Accordingly, 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 lower level of confidence than that applied to an “Indicated Mineral Resource”, must not be converted to a Mineral Reserve and there is a deal of uncertainty as to their existence and as to whether they can be mined legally or economically. However, it is reasonably expected that the majority of Inferred Mineral Resources could be upgraded to Indicated Mineral Resources with continued exploration. Under Canadian securities laws, estimates of “Inferred Mineral Resources” cannot form the basis of feasibility or other economic studies, except in limited circumstances where permitted under NI 43-101.

In addition, disclosure of “contained ounces” is permitted disclosure under Canadian regulations; however, the SEC has historically only permitted issuers to report mineralization as in-place tonnage and grade without reference to unit measures.

This is **Exhibit "I"** referred to in the Affidavit of **Sandra Daycock**, affirmed before me at Vancouver, British Columbia, this 28th day of September, 2022.

A handwritten signature in blue ink, consisting of a stylized 'Z' followed by a horizontal line and a small flourish.

A Commissioner for Oaths for
the Province of British Columbia



GREAT PANTHER MINING LIMITED

**ANNUAL INFORMATION FORM
FOR THE YEAR ENDED DECEMBER 31, 2021**

March 2, 2022

**GREAT PANTHER MINING LIMITED ("COMPANY")
ANNUAL INFORMATION FORM**

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1. IMPORTANT INFORMATION ABOUT THIS DOCUMENT

1.A. DATE OF INFORMATION

Unless otherwise noted, all information contained in this Annual Information Form ("AIF") is as at December 31, 2021.

1.B. NOMENCLATURE

In this AIF, unless the context otherwise dictates, "Great Panther" or the "Company" refers to Great Panther Mining Limited, and its subsidiaries.

1.C. GLOSSARY OF TERMS AND UNITS OF MEASURE

The following glossary, which is not exhaustive, should be used only as an adjunct to a thorough reading of the entire document of which it forms a part.

2021 MD&A	Management's Discussion and Analysis of the Company for the year ended December 31, 2021
AAS	Atomic absorption spectroscopy
Acquisition	The acquisition of Tucano by Great Panther completed on March 5, 2019 by acquiring 100% of the issued and outstanding shares of Beadell pursuant to a scheme under the <i>Australian Corporations Act 2001</i> all as more particularly described in Section 18 of this AIF
Adit	A horizontal or close-to-horizontal tunnel, man-made for mining purposes
Ag	Silver
Ag eq oz	Silver equivalent ounces, reflecting the equivalent values of silver and all other products produced by the Company, relative to the prevailing silver price
Andesite	A fine-grained brown, green or greyish intermediate volcanic rock
ATM Offering Agreement	"At-the-market" facility agreement dated October 15, 2021 between the Company and H.C. Wainwright

Au	Gold
Beadell	Beadell Resources Limited
Board	Board of Directors of Great Panther
Breccia	A coarse-grained rock, composed of angular, broken rock fragments held together by a mineral cement or a fine-grained matrix
BRL	Brazilian Real
Cfm	Cubic feet per minute
CIM	Canadian Institute of Mining, Metallurgy and Petroleum
CIM Definition Standards	Definition Standards for Mineral Resources and Mineral Reserves adopted by the CIM on May 10, 2014, as amended from time to time
COG	Cut-off grade
CONAGUA	Comisión Nacional del Agua, or National Water Commission, in Mexico responsible for managing and preserving national waters and their inherent good in order to achieve sustainable use
COVID-19	A strain of novel coronavirus reported to originate in late 2019 and any variant thereof
cm	Centimetre
Cu	Copper
cut and fill	A mining method which removes mineralized material in horizontal slices and the remaining void is filled with waste rock before proceeding to mine the next slice of mineralized material
EIA	Environmental Impact Assessment
eq.	Equivalent values or quantities of products, expressed relative to the prevailing silver or gold and co-product prices
Epithermal	Hydrothermal deposits formed at low temperature and pressure
Felsic	An igneous rock having abundant light-coloured materials
g/t	Grams per metric tonne
G&A	General and administrative

GPC	Great Panther Coricancha S.A. (formerly Nyrstar Coricancha S.A.)
Gpm	Gallons per minute
H.C. Wainwright	H.C. Wainwright & Co., LLC
hectare, or ha	A metric unit of land measure equal to 10,000 square metres or 2.471 acres.
Hydrothermal	Relating to hot fluids circulating in the earth's crust
IFRS	International Financial Reporting Standards as issued by the International Accounting Standards Board and interpretations of the International Financial Reporting Interpretations Committee, collectively
JORC	Joint Ore Reserves Committee of the Australasian Institute of Mining and Metallurgy, Australian Institute of Geoscientists and Minerals Council of Australia
km	Kilometre
LHD	Load-haul-dump loader
LOM	Life of Mine
masl	Metres above sea level
MD&A	Management's Discussion & Analysis
MEM	Ministerio de Energía y Minas de Perú
mineral claim	The portion of mining ground held under law by a claimant
mineralization	Implication that the rocks contain metallic minerals and that these could be related to ore
M&I	Measured and Indicated
Mina Tucano	Mina Tucano Ltda.
mm	Millimetre
NI 43-101	National Instrument 43-101 Standards of Disclosure for Mineral Projects
NI 51-102	National Instrument 51-102 Continuous Disclosure Obligations
NN2	NN2 Newco Limited

NSR	Net smelter return
Nyrstar	Nyrstar International B.V. and Nyrstar Netherlands (Holdings) B.V., together as sellers, of Coricancha
OEFA	Organismo de Evaluación y Fiscalización Ambiental, the Environmental Evaluation and Oversight Agency, in Peru
Ore	That part of a mineral deposit which could be economically and legally extracted
OSINERGMIN	Organismo Supervisor de la Inversión en Energía y Minería, the Supervisory Organism of Investment in Energy and Mines, in Peru
Oz	Troy ounces
Pb	Lead
PROFEPA	Procuraduría Federal de Protección al Ambiente, or Federal Agency of Environmental Protection, creates and enforces the Federal environmental laws of Mexico, with the aim of sustainable development. It has no relationship with the SEMARNAT, and maintains its own technical and operational autonomy.
Psi	Pounds per square inch
QA/QC	Quality Assurance/Quality Control
Quartz	A common rock forming mineral consisting of silicon and oxygen
Resuing	A method of stoping wherein mineralized material is extracted separately from the waste rock on one side of the vein. This method is employed on narrow veins, and yields cleaner mineralized material than when waste and mineralized material are broken together
Rhyolite	A fine-grained volcanic (extrusive) rock of granitic composition
ROM	Run-of-mine
SEC	United States Securities and Exchange Commission
SEDAR	System for Electronic Document Analysis and Retrieval, a mandatory document filing and retrieval system for Canadian public companies
SEMA	State Department of the Environment (Amapá, Brazil)

SEMARNAT	Secretaría de Medio Ambiente y Recursos Naturales, or Ministry of Environment and Natural Resources, the Mexican federal agency responsible for environmental protection, including permitting of surface work and some mining programs
SGS	A geochemical laboratory part of the SGS Mineral Services Group
stockwork	A metalliferous deposit characterized by the impregnation of the mass of rock with many small veins or nests irregularly grouped
Stoping	The extraction of mineralized material or other minerals by creating underground openings through the application of drill and blast techniques
SUNAT	Superintendencia Nacional de Aduanas y de Administración Tributaria, the organization that enforces customs and taxation in Peru
Tonne or t	A metric tonne, equal to 1,000 kilograms and approximately 2,205 lbs
Tpd	Metric tonnes per day
t/m ³	Metric tonnes per cubic metre
Trafigura	Trafigura Group Pte. Ltd.
TSF	Tailings storage facility
UCS open pit	Urucum Central South open pit at Tucano
URN UG	Urucum North underground zone at Tucano
Vein	A zone or belt of mineralized rock lying within boundaries clearly distinguished from neighbouring rock. A mineralized zone has, more or less, a regular development in length, width and depth to give it a tabular form and is commonly inclined at a considerable angle to the horizontal. The term "lode" is commonly used synonymously for vein
Zn	Zinc

1.D. FINANCIAL INFORMATION AND REPORTING CURRENCY

The Company prepares its consolidated financial statements in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS"). IFRS differs in some respects from Generally Accepted Accounting Principles in the United States, and thus the Company's financial statements may not be comparable to financial statements of US companies.

The Company's financial statements are presented in United States dollars (the reporting and functional currency of the Canadian parent company). Financial, share price and operating information presented

in this AIF is presented in US dollars ("USD"), unless otherwise noted. Unless specified otherwise, all references to dollar amounts, \$ or US\$ are to USD. All references to C\$ are to Canadian dollars.

1.E. CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

Certain of the statements and information in this AIF constitute "forward-looking statements" within the meaning of the United States "Private Securities Litigation Reform Act" of 1995 and "forward-looking information" within Canadian securities laws (collectively, "forward-looking statements"). All statements, other than statements of historical fact, addressing activities, events or developments that the Company expects or anticipates will or may occur in the future are forward-looking statements. Forward-looking statements are often, but not always, identified by the words "anticipates", "believes", "expects", "may", "likely", "plans", "intends", "expects", "may", "forecast", "project", "budgets", "guidance", "targets", "potential", and "outlook", or similar words, or statements that certain events or conditions "may", "might", "could", "can", "would", or "will occur. Forward-looking statements reflect the Company's current expectations and assumptions and are subject to known and unknown risks, uncertainties and other factors which may cause the Company's actual results, performance or achievements to be materially different from any anticipated future results, performance or achievements expressed or implied by the forward-looking statements.

In particular, this AIF includes forward-looking statements as noted throughout the document relating to estimates, forecasts, and statements as to management's expectations, opinions and assumptions with respect to the future guidance and outlook of production of gold, silver, lead and zinc; profit, operating and capital costs, growth expenditures and cash flow; grade improvements; sales volume and selling prices of products; capital and exploration expenditures, plans, timing, progress, and expectations for the development and mine life of the Company's mines and projects, including its planned exploration and drilling programs (metres drilled), plans to evaluate future financing opportunities, including the potential to use at-the-market facilities, planned use of proceeds from financings completed by the Company; the Company's Mineral Resource and Mineral Reserve estimates for each of its operations and projects and the assumptions upon which they are based; the timing of production and the cash and total costs of production; sensitivity of earnings to changes in commodity prices and exchange rates; the impact of foreign currency exchange rates; expenditures to increase or define Mineral Reserves and Mineral Resources; sufficiency of available capital resources; title to claims; expansion and acquisition plans; and the future plans and expectations for the Company's properties and operations. Examples of specific information in this AIF that may constitute forward-looking statements are:

Regarding the Tucano gold mine ("Tucano"):

- expectations regarding the ongoing geotechnical control of Urucum Central South ("UCS") and related slope stability; including expectations regarding the Company's remediation work at the UCS open pit, the costs of and time to complete such work, and the Company's expectation of the resulting benefits;
- expectations regarding the production profile for Tucano and its ability to meet gold production and cost guidance for 2022;
- expectations regarding Tucano's exploration potential, including regional and multiple in-mine and near-mine opportunities with the potential to extend the mine life by converting Mineral Resources to Mineral Reserves or discovering new Mineral Resources;

- expectations regarding the (i) potential for additional near-term gold production resulting from exploration activities at the URN pit; (ii) potential to develop the underground mine to supplement the open pit feed to the mill and expectations around the timeline for the studies in support of such decision, (iii) potential for high-grade mineralization at the URN open pit to allow extension of the mineable area of the pit and the related expectations of continuity of the underground zone; (iv) the estimated potential for the underground mine below the current URN open pit; and (v) whether Great Panther's exploration program will support a decision for the start-up of the underground project;
- expectations that the Company plans to focus on continued exploration over the next 12 months;
- expectation that the Company will be successful in its Federal appeal regarding, among other matters, the ban on the use of cyanide in respect of the Company's Tucano operations;
- expectation that the Company will be successful in the defense and appeal of fines received from the Amapá State Environmental Agency ("SEMA") in connection with SEMA's investigation of a fish mortality event at creeks located near Tucano;
- expectations regarding capital and operating expenditures at Tucano; and
- expectations regarding the ability to successfully onboard the new mining contractor and to achieve a smooth transition of mining contractors.

Regarding the Topia mine ("Topia"):

- expectations regarding continued mining and grade recoveries at Topia given the absence of Mineral Reserves;
- expectations that the Phase II TSF can be operated as planned on the basis of positive results of monitoring without interruption;
- expectations that the Company will receive the required permits for Phase II TSF Northern extension; and
- expectations regarding the results of exploration programs at Topia in 2022.

Regarding the Guanajuato Mine Complex (the "GMC"), which comprises the Guanajuato Mine ("Guanajuato"), the San Ignacio Mine ("San Ignacio"), and the Cata processing plant:

- expectations that permits associated with the use and expansion of the TSF at the GMC will be granted in the future and on favourable terms or that the Company will find other alternatives to maximize value from the GMC;
- expectations that additional Mineral Resources may be identified at the GMC, including whether or not such Mineral Resources can be defined as Mineral Reserves, and expectations that these Mineral Resources can be mined without first completing a feasibility study and converting these Mineral Resources into Mineral Reserves;
- expectations that the Company will receive any additional water use and discharge permits required to maintain operations at the GMC; and
- expectations regarding the results of exploration programs at Guanajuato performed in 2021

Regarding the Coricancha Mine Complex (“Coricancha”):

- expectations that pending proposals for modification of an approved closure plan will conclude with the approval of the Ministry of Energy and Mines (“MEM”), which may also resolve any related fines or penalties;
- expectations regarding the availability of funds to restart production, the timing of any production decision, and the ability to restart a commercially viable mine;
- if applicable, expectations regarding the costs associated with the restart of Coricancha;
- expectations that Coricancha can be restarted and operated on the operating assumptions confirmed by the BSP, which are preliminary in nature and are not based on Mineral Resources that have been defined as Mineral Reserves and include Inferred Mineral Resources that are considered too speculative geologically to have the economic considerations applied to them;
- expectations regarding recoveries from Nyrstar in relation to its Coricancha indemnification obligations and the potential funding obligations under bonds posted with the MEM as security for closure and reclamation obligations;
- opportunities relating to optimization of mining, future exploration and the expansion of the mine life indicated under the Preliminary Economic Assessment (“PEA”), which is preliminary in nature and is not based on Mineral Resources that have been defined as Mineral Reserves and include Inferred Mineral Resources that are considered too speculative geologically to have the economic considerations applied to them;
- expectations regarding the impact of the constitutional case and the consequence of the removal of the injunction and exposure of the Company to potential fines;
- expectations regarding the reclamation process, including the timing and cost to complete required reclamation and the impact of Mine Closure Law introduced by the Peruvian government on August 18, 2021, and its potential impact, if any, on the Company’s liquidity;
- expectations regarding the results from the 2021 exploration program at Coricancha and the Company’s ability to translate these results into additional Mineral Resources; and
- expectations regarding the Company’s efforts to appeal the SUNAT tax assessment in Peru.

Regarding general corporate matters:

- consolidated 2022 production and AISC guidance for the Company’s operations and the expectation that the Company will be able to meet such guidance, including the assumptions related thereto;
- expectations regarding the Company’s cash flows from operations in 2022;
- expectations regarding access to capital and the Company’s ability to raise additional debt or equity including any sales under the ATM facility over the next 12 months to improve working capital, fund further expansion, mine development, capital investments and exploration programs for its operating mines, for acquisitions, working capital needs and to meet scheduled debt repayment obligations;
- the Company’s plans to evaluate and pursue acquisition opportunities to complement its existing portfolio;

- expectations that the Company's operations will not be impacted materially by government or industry measures to control the spread of COVID-19, including the impact of future orders of federal governments to curtail or cease mining operations in Brazil, Mexico or Peru;
- estimates made by management in the preparation of the Company's financial statements relating to the assessments of provisions for loss and contingent liabilities relating to legal proceedings and the estimation of the carrying value of the Company's mineral properties;
- estimates concerning reclamation and remediation obligations and the assumptions underlying such estimates;
- expectations that metallurgical, environmental, permitting, legal, title, taxation, socio-economic, political, social, marketing or other issues will not materially affect the Company's estimates or Mineral Reserves and Mineral Resources or its future mining plans;
- expectations in respect of permitting and development activities; and
- expectation the Company will be able to attract and maintain qualified key management personnel including the appointment of a permanent CEO.

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 that, while considered reasonable by the Company, are inherently subject to significant operational, business, economic and regulatory uncertainties and contingencies. These assumptions include:

- the assumptions underlying the Company's 2022 production and AISC guidance continuing to be accurate;
- continued operations at Tucano and Topia without significant interruption due to COVID-19 or any other reason;
- continued operations at Tucano in accordance with its 2022 mine plan, including the assumptions underlying the Company's ongoing geotechnical control of UCS and planned pushback activities;
- the accuracy of the Company's Mineral Reserve and Mineral Resource estimates and the assumptions upon which they are based;
- ore grades and recoveries; prices for silver, gold, and base metals remaining as estimated (including transportation);
- currency exchange rates remaining as estimated, including the BRL to USD exchange rate of 5.35 in 2022 used in the 2022 AISC guidance;
- the Company will not be required to further impair Tucano as the current open-pit Mineral Reserves are depleted;
- prices for energy inputs, labour, materials, supplies and services (including transportation);
- all necessary permits, licenses and regulatory approvals for the Company's operations are received in a timely manner on favourable terms; including that the Company will receive an extension of its existing operating permit for Tucano in due course as this license officially expired in November 2021 but remains in full force and effect while the permitting authority completes its normal course review, and that the Company will successfully secure the

necessary permits to allow the commencement of development activities for the URN underground project;

- Tucano will be able to continue to use cyanide in its operations;
- the Company will meet its production forecasts and generate the anticipated cash flows from operations for 2022 with the result that the Company will be able to meet its scheduled debt payments when due;
- the accuracy of the information included or implied in the various published technical reports;
- the geological, operational and price assumptions on which these technical reports are based;
- the ability to procure equipment and operating supplies and that there are no unanticipated material variations in the cost of energy or supplies;
- the execution and outcome of current or future exploration activities;
- the ability to obtain adequate financing for planned activities and to complete further exploration programs;
- operations not being disrupted by issues such as workforce shortages, mechanical failures, labour or social disturbances, illegal occupations or mining, seismic events and adverse weather conditions;
- the assumption that the Mine Closure Law introduced by the Peruvian government on August 18, 2021 will not have a material impact on the Company's liquidity;
- the Company will be successful in the defense and appeal of fines received from the Amapá State Environmental Agency ("SEMA") in connection with SEMA's investigation of a fish mortality event at creeks located near Tucano;
- the Company will obtain permits for Phase II North extension at the Topia mine; and
- the Company will have the ability to maintain its stock exchange listings.

These forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the actual results, performance or achievements expressed or implied by such forward-looking statements to be materially different. Such factors include, among others, risks and uncertainties relating to:

- open pit mining operations at Tucano have a limited established mine life, and the Company may not be able to extend the mine life for Tucano open-pit operations beyond 2023 as anticipated or maintain production levels consistent with past production as Mineral Reserves are depleted;
- the Company may experience an increase in COVID-19 infection amongst its employees and contractors even with the adoption of enhanced safety protocols and safeguards;
- interruptions to the Company's operations in the future as a result of COVID-19 may occur, due to: (i) the impact restrictions that governments may impose or the Company voluntarily imposes to address COVID-19 which if sustained or resulted in a significant curtailment could have a material adverse impact on the Company's production, revenue and financial condition and may materially impact the Company's ability to meet its production guidance included herein and

complete near-mine and regional exploration plans at Tucano; (ii) shortages of employees; (iii) unavailability of contractors and subcontractors; (iv) interruption of supplies and the provision of services from third parties upon which the Company relies, including the risk of further shortages of purchased oxygen at Tucano which may reduce recovery rates and reduce throughput; (v) restrictions that governments impose to address the COVID-19 outbreak; (vi) disruptions in transportation services that could impact the Company's ability to deliver gold doré and metal concentrates to refineries; (vii) restrictions that the Company and its contractors and subcontractors impose to ensure the safety of employees and others; (viii) restrictions on operations imposed by governmental authorities; (ix) delays in permitting; and (x) that the Company may not be able to modify its operations in order to maintain production, including the availability to modify work shifts at Tucano, if necessary;

- the Company's ability to appropriately capitalize and finance its operations, including the risk that the Company is: (i) unable to renew or extend existing credit facilities that become due, which may increase the need to raise new external sources of capital; or (ii) unable to access sources of capital which could adversely impact the Company's liquidity and require the Company to curtail capital and exploration programs, and other discretionary expenditures;
- planned exploration activities may not result in the conversion of existing Mineral Resources into Mineral Reserves or discovery of new Mineral Resources;
- the Company may be unable to meet its production forecasts or to generate the anticipated cash flows from operations, including reasons related to the Company being unable to resolve equipment availability issues with its current contractor or failing to mobilize its new contractor as quickly as expected or for the new contractor to contribute to improved operating performance at Tucano and as a result, the Company may be unable to meet its scheduled debt payments when due or to meet financial covenants to which the Company is subject;
- the inherent risk that estimates of Mineral Reserves and Resources may not be accurate and accordingly that mine production and recovery will not be as estimated or predicted;
- gold, silver and base metal prices may decline or may be less than forecasted or may experience unpredictable fluctuations;
- fluctuations in currency exchange rates (including the USD to BRL exchange rate) may increase costs of operations;
- the Company may not be able to continue mining the UCS pit as planned and be able to access the UCS Mineral Reserves, which may adversely impact the Company's production plans, future revenue and financial condition;
- challenging operational viability may result in production below the Company's expectations from its Mexican operations;
- operational and physical risks inherent in mining operations (including pit wall collapses, tailings storage facility failures, environmental accidents and hazards, industrial accidents, equipment breakdown, unusual or unexpected geological or structural formations, cave-ins, flooding and severe weather) may result in unforeseen costs, shutdowns, delays in production and exposure to liability;

- pushback activities intended to improve pit wall stability at the UCS open pit may not result in the expected benefits or may take longer or cost more to complete than initially anticipated, which could increase the Company's costs and delay realization of revenues from UCS;
- liabilities that the Company may incur may exceed the policy limits of its insurance coverage or may not be insurable, in which case the Company could incur significant costs that could adversely impact the Company's business, operations, profitability, or value;
- the Company may not be able to identify or complete acquisition opportunities or complete such acquisitions in a manner that will be accretive to the Company, which could impact the long-term viability of the Company's business;
- management's estimates regarding the carrying value of its mineral properties may be subject to change in future financial periods, which may result in further write-downs and consequential impairment loss;
- management's estimates in connection with the assessment of provisions for loss and contingent liabilities relating to legal proceedings may differ materially from the ultimate loss or damages incurred by the Company;
- the potential for unexpected and excessive project costs and expenses and the possibility of project delays could result in those projects becoming unviable or contributing less than expected value to the Company;
- the Company's ability to obtain and maintain all necessary permits, licenses and regulatory approvals in a timely manner and on favourable terms including the company's Tucano operating permit which is currently under normal course review and the necessary permits to commence the development of the URN underground project could delay the Company's ability to continue its operations or to develop its exploration properties at a pace that allows the uninterrupted extension of the mine life at Tucano;
- changes in laws, regulations and government practices in the jurisdictions in which the Company operates;
- the inability to operate the Topia Phase II TSF as planned, and to obtain permits for Phase II northern extension to increase capacity an additional two years;
- diminishing quantities or grades of mineralization as properties are mined or unanticipated operational difficulties due to adverse weather conditions, failure of plant or mine equipment and unanticipated events related to health, safety, and environmental matters could cause the Company's production to be lower than expected;
- acts of foreign governments;
- political risk;
- labour and social unrest;
- uncertainty of revenue, cash flows and profitability, the potential to achieve any particular level of recovery, the costs of such recovery, the rates of production and costs of production, where production decisions are not based on any feasibility studies of Mineral Reserves demonstrating economic and technical viability negatively impact cause the Company's cash flow generation capability;

- cash flows may vary, and the Company's business may not generate sufficient cash flow from operations to enable it to satisfy its debt and other obligations;
- an unfavourable decision by the MEM with respect to the proposed modification to the Coricancha closure plan could result in reclamation costs exceeding the amounts estimated or the amounts that Nyrstar has agreed to reimburse;
- fines, penalties, regulatory actions or charges against the Company's Coricancha subsidiary arising from the removal of the injunction, including the potential for cumulative fines and penalties outside the control of the Company and its subsidiary may adversely impact the Company's liquidity;
- reclamation costs exceed the amounts estimated and exceed the amount which Nyrstar has agreed to reimburse;
- counterparties may fail to perform their contractual obligations, including that Nyrstar may be unable to fund its indemnity obligations under the agreements related to the acquisition of Coricancha, as such have been amended from time to time, and the guarantors thereunder may not have the necessary financial resources to discharge their obligations under the guarantees;
- the Company may not be successful in resolving its existing litigation or may become subject to further litigation in the future which could increase the Company's costs associated with these claims;
- the Company may not be successful in the defense and appeal of fines received from the SEMA in connection with SEMA's investigation of a fish mortality event at creeks located near Tucano, and such fines and associated costs may be material and have an adverse effect on the Company's liquidity;
- the Company's Peruvian subsidiary, Great Panther Coricancha S.A. ("GPC"), may ultimately be found liable for approximately \$20 million in unpaid taxes of the leasing company that sold the Coricancha mining assets to GPC in March 2006 and this could have a material impact on the Peruvian subsidiary's financial position;
- the risk that the Company will not be successful in the defense and appeal of fines received from the Amapá State Environmental Agency ("SEMA") in connection with SEMA's investigation of a fish mortality event at creeks located near Tucano and that payment of the fines has an adverse impact on the Company's liquidity;
- the risk that the loss of any key personnel may have a material adverse effect on the Company, its business and its financial position;
- the risk that the Company does not maintain its listing on the exchanges where it trades and that any delisting may have a material impact on the liquidity of its stock and its ability to raise capital; and
- other risks and uncertainties, including those described in respect of Great Panther in its most recent MD&A, and subsequent material change reports filed with the Canadian Securities Administrators available at www.sedar.com and reports on Form 40-F and Form 6-K filed with the SEC and available at www.sec.gov.

This list is not exhaustive of the factors that may affect any of the Company's forward-looking statements or information. Forward-looking statements or information are statements about the future

and are inherently uncertain. Actual achievements of the Company or other future events or conditions may differ materially from those reflected in the forward-looking statements or information.

The Company's forward-looking statements and information are based on the assumptions, beliefs, expectations and opinions of management as of the date of this AIF. The Company will update forward-looking statements and information if and when, and to the extent required by applicable securities laws. Readers should not place undue reliance on forward-looking statements. The forward-looking statements contained herein are expressly qualified by this cautionary statement. For more discussion of the factors that could cause the Company's actual results, performance and achievements to be materially different from the anticipated future results, performance and achievements expressed or implied by these forward looking statements, see Section 8 – Risk Factors of this AIF.

1.F. SCIENTIFIC AND TECHNICAL INFORMATION

The scientific and technical information in this AIF relating to the Company's mineral projects has been reviewed and approved by Fernando A. Cornejo, M. Eng., P. Eng., Chief Operating Officer of Great Panther, Nicholas Winer, FAusIMM, Vice President, Exploration of Great Panther, and Robert Brown, P. Eng., Geological Consultant of Great Panther, each of whom is a non-independent Qualified Person within the meaning of NI 43-101 (the "Great Panther Qualified Persons").

Scientific and technical disclosure in this AIF for the Company's material properties is based on reports prepared in accordance with NI 43-101 (collectively, the "Technical Reports"). The Technical Reports have been filed on SEDAR at www.sedar.com and EDGAR at www.sec.gov. The technical information in this AIF has been updated with more current information where applicable, such updated information having been prepared by or under the supervision of, or reviewed by, the Great Panther Qualified Persons. Scientific and technical information relating to current and planned exploration programs set out in this AIF are prepared and/or designed and carried out under the supervision of, or were reviewed by, Nicholas Winer in the case of Brazil and Robert Brown in the case of Mexico and Peru. The current Technical Reports for the Company's properties are as follows:

- a report related to Tucano entitled "Amended and Restated Technical Report on the 2020 Mineral Reserves and Mineral Resources of the Tucano Gold Mine, Amapá State, Brazil" dated February 2, 2021, with an effective date of September 30, 2020 prepared by Neil Hepworth, M.Sc., C. Eng. MIMMM, Nicholas Winer, FAusIMM, Fernando A. Cornejo, M. Eng., P. Eng., Carlos H. B. Pires, B.Sc. Hons., MAusIMM C.P., Master Geologist, Mina Tucano Ltda, and Reno Pressacco, M.Sc.(A) P.Geo and Tudorel Ciuculescu, B.Sc, M.Sc., P. Geo., of Roscoe Postle Associates Inc. ("Tucano Technical Report");
- a report related to the GMC entitled "NI 43-101 Mineral Resource Update Technical Report on the Guanajuato Mine Complex, Guanajuato and San Ignacio Operations, Guanajuato State, Mexico" dated February 28, 2022, with an effective date of July 31, 2021 prepared by Robert F. Brown, P. Eng., and Mohammad Nourpour, P. Geo. ("GMC Technical Report");
- a report related to Topia entitled "NI 43-101 Report on the Topia Mine Mineral Resource Estimates as of March 31, 2021" dated February 10, 2022, with an effective date of March 31, 2021, prepared by Robert F. Brown, P. Eng., and Mohammad Nourpour, P. Geo. ("Topia Technical Report"); and
- a report related to Coricancha entitled "NI 43-101 Technical Report Summarizing the Preliminary Economic Assessment of the Coricancha Mine Complex" dated July 13, 2018, with an effective

date of July 13, 2018, prepared by Daniel Saint Don, P.Eng. previously from Golder Associates Inc. ("Golder"), Jeffrey Woods, SME MMSA QP, previously from Golder and Ronald Turner, MAusIMM CP(Geo) from Golder ("Coricancha Technical Report").

Each of Messrs. Cornejo, Winer, Pires, Ciuculescu, Pressacco, Brown, Nourpour, Saint Don, Woods, and Turner is or was in relation to the Technical Reports a Qualified Person within the meaning of NI 43-101. A "Qualified Person" means an engineer or geoscientist with a university degree, or equivalent accreditation, in an area of geoscience, or engineering, relating to mineral exploration or mining, with at least five years of experience in mineral exploration, mine development or operation or mineral project assessment, or any combination of these, that is relevant to his or her professional degree or area of practice, has experience relevant to the subject matter of the mineral project, and is a member in good standing of a professional association within the meaning of NI 43-101.

Mineral Resource estimates in this AIF related to Tucano were prepared by or under the supervision of Mr. Ciuculescu of Roscoe Postle Associates Inc., solely in respect of the Mineral Resource estimate for TAP AB open pit and underground resources and Messrs. Winer and Pires of Great Panther for all other Mineral Resource estimates for Tucano. Mineral Reserve estimates in this AIF related to Tucano were prepared by or under the supervision of or reviewed for inclusion in this AIF by Mr. Hepworth of Great Panther. Mineral Resource estimates in this AIF related to Topia and the GMC were prepared by or under the supervision of Messrs. Brown and Nourpour. Mineral Resource estimates in this AIF related to Coricancha were prepared by or under the supervision of Mr. Turner of Golder.

While not material properties of the Company, the Company also discloses certain scientific and technical information for El Horcón and Santa Rosa, which could in the future form part of the GMC's operations. The information for these properties (as disclosed in Section 7 of the AIF) is contained in a report entitled "NI 43-101 Technical Report on the Guanajuato Mine Complex Claims and Mineral Resource Estimations for the Guanajuato Mine, San Ignacio Mine, and El Horcón and Santa Rosa Projects", dated February 20, 2017, with an effective date of the information related to the El Horcón and Santa Rosa Projects of August 31, 2016, prepared by or under the supervision of Mr. Brown, a non-independent Qualified Person within the meaning of NI 43-101.

1.G. CAUTIONARY NOTE TO UNITED STATES INVESTORS CONCERNING ESTIMATES OF MEASURED, INDICATED AND INFERRED RESOURCES

As a British Columbia corporation and a "reporting issuer" under Canadian securities laws, the Company is subject to rules, policies and regulations issued by Canadian regulatory authorities and is required to provide detailed information regarding its properties including mineralization, drilling, sampling and analysis, security of samples and Mineral Resource and Mineral Reserve estimates. 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. In accordance with NI 43-101, the Company uses the terms Mineral Reserves and Mineral Resources as they are defined in accordance with the CIM Definition Standards on Mineral Reserves and Mineral Resources (the "CIM Definition Standards") adopted by the Canadian Institute of Mining, Metallurgy and Petroleum.

The SEC has adopted amendments to its disclosure rules to modernize the mineral property disclosure requirements for issuers whose securities are registered with the SEC under the United States Securities Exchange Act of 1934 (the "US Exchange Act"). These amendments became effective on February 25, 2019 (the "SEC Modernization Rules"). The SEC Modernization Rules have replaced the historical

property disclosure requirements for mining registrants that were included in SEC Industry Guide 7, which have been rescinded. As a “foreign private issuer” that is eligible to file reports with the SEC pursuant to the multi-jurisdictional disclosure system (the “MJDS”), the Company is not required to provide disclosure on its mineral properties under the SEC Modernization Rules and will continue to provide disclosure under NI 43-101. If the Company ceases to be a foreign private issuer or loses its eligibility to file its annual report on Form 40-F pursuant to the MJDS, then the Company will be subject to the SEC Modernization Rules, which differ from the requirements of NI 43-101.

The SEC Modernization Rules include the adoption of terms describing Mineral Reserves and Mineral Resources that are substantially similar to the corresponding terms under the CIM Definition Standards. As a result of the adoption of the SEC Modernization Rules, SEC now recognizes estimates of Measured Mineral Resources, Indicated Mineral Resources and Inferred Mineral Resources. In addition, the SEC has amended its definitions of Proven Mineral Reserves and Probable Mineral Reserves to be substantially similar to the corresponding CIM Definition Standards.

United States investors are cautioned that while the terms used in the SEC Modernization Rules are substantially similar to CIM Definition Standards, there are differences in the definitions under the SEC Modernization Rules and the CIM Definition 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 resource estimates under the standards adopted under the SEC Modernization Rules. United States investors are also cautioned that while the SEC will now recognize “measured mineral resources”, “indicated mineral resources” and “inferred mineral resources”, investors should not assume that any part or all of the mineral deposits in these categories would ever be converted into a higher category of Mineral Resources or into Mineral Reserves. Mineralization described by these terms has a great amount of uncertainty as to their existence, and great uncertainty as to their economic and legal feasibility. Accordingly, 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 lower level of confidence than that applied to an “Indicated Mineral Resource”, must not be converted to a Mineral Reserve and there is a deal of uncertainty as to their existence and as to whether they can be mined legally or economically. However, it is reasonably expected that the majority of Inferred Mineral Resources could be upgraded to Indicated Mineral Resources with continued exploration. Under Canadian securities laws, estimates of “Inferred Mineral Resources” cannot form the basis of feasibility or other economic studies, except in limited circumstances where permitted under NI 43-101.

In addition, disclosure of “contained ounces” is permitted disclosure under Canadian regulations; however, the SEC has historically only permitted issuers to report mineralization as in-place tonnage and grade without reference to unit measures.

2. CORPORATE STRUCTURE

2.A. NAME, ADDRESS AND INCORPORATION

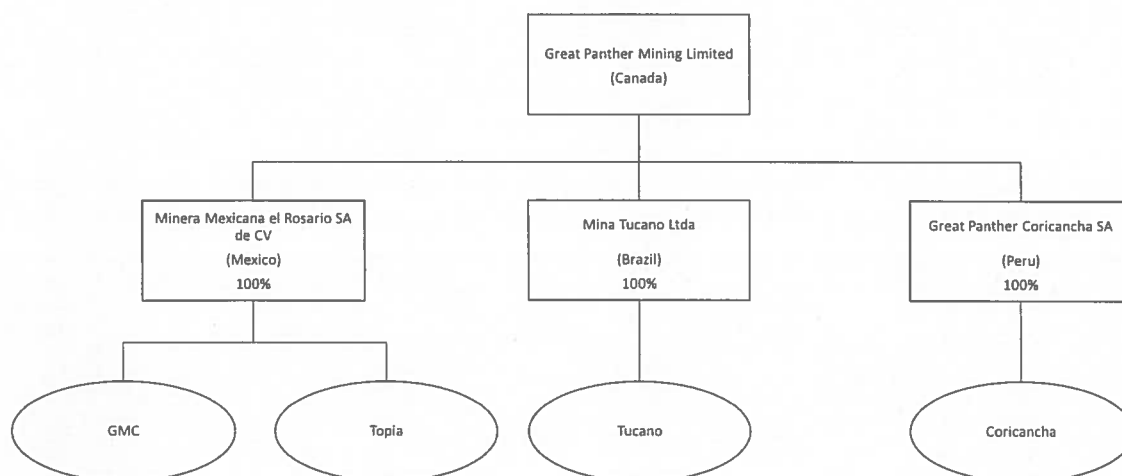
Great Panther Mining Limited was originally incorporated under the *Company Act* (British Columbia) in 1965 under the name Lodestar Mines Ltd. The Company's common shares were listed on the TSX Venture Exchange on June 18, 1980, and were upgraded to trading on the Toronto Stock Exchange ("TSX") on November 14, 2006 under the symbol GPR. The Company's common shares were listed on the NYSE American on February 8, 2011, under the trading symbol GPL, while the Company retained its listing on the TSX in Canada.

The Company was continued under the *Business Corporation Act* (Yukon) on March 22, 1996, and then further continued back to British Columbia under the *Business Corporations Act* (British Columbia) on July 9, 2004. The Company's most recent name change from Great Panther Silver Limited to Great Panther Mining Limited occurred concurrently with closing of the acquisition of Tucano on March 4, 2019.

Great Panther's principal and registered offices are located at 1330 – 200 Granville Street, Vancouver, British Columbia, V6C 1S4, Canada. The Company's telephone number is 604-608-1766, and the Company's website can be found at www.greatpanther.com.

2.B. INTERCORPORATE RELATIONSHIPS

The following companies are the significant subsidiaries of the Company as of March 4, 2021, each of which is 100% beneficially owned, directly or indirectly, by the Company and existing in the jurisdiction set forth in the table below.



Note:

1. In some jurisdictions in which the Company operates, laws require that a company operating mineral properties must have more than one shareholder. For those jurisdictions, a nominal interest may be held by an individual or other affiliated entity and this may not be represented on the charts.

3. GENERAL DEVELOPMENT OF THE BUSINESS

3.A. GENERAL

Great Panther Mining Limited is an intermediate precious metals mining and exploration company listed on the TSX trading under the symbol GPR, and on the NYSE American trading under the symbol GPL.

The Company has three wholly owned mining operations, including Tucano in Brazil and Topia and the GMC in Mexico.

Tucano is an open pit gold mine approximately 200 km from Macapá, the state capital of Amapá in Brazil. It produces gold doré with ore processed through a primary crusher, SAG mill, ball mill and carbon-in-leach ("CIL") infrastructure, capable of treating both oxide and sulphide ore. Tucano has initiated a regional exploration strategy to evaluate the underexplored greenstone belt in which the mine sits and there remains potential to increase Mineral Reserves in both quantity and quality with additional surface and underground exploration within the mining license.

Topia is located in the Sierra Madre Mountains in the state of Durango in northwestern Mexico and produces metallic concentrates containing silver, gold, lead and zinc at its own processing facility.

The GMC produces silver and gold concentrate and is located in central Mexico, approximately 380 km northwest of Mexico City, and approximately 30 km from the Guanajuato International Airport. The GMC comprises the Guanajuato mine, the San Ignacio mine and the Cata processing plant.

The Guanajuato mine and the Cata processing plant were placed on care and maintenance in November 2021 and mining activity at the San Ignacio mine was suspended in December 2021 while Great Panther continues to proactively engage with CONAGUA in regards of the tailings dam permit and to explore other alternatives to maximize value from the GMC.

Topia and the GMC are underground mines and the production process consists of conventional mining incorporating cut and fill and resue methods. Extracted mineralized material is trucked to on-site

conventional processing plants, which consist of zinc and lead-silver flotation circuits at Topia, and a pyrite-silver-gold flotation circuit at the GMC.

Great Panther also owns Coricancha, a gold-silver-copper-lead-zinc underground mine, located in the Peruvian province of Huarochiri, approximately 90 km east of Lima. Coricancha has been on care and maintenance since August 2013 and the Company continues to evaluate options for this asset.

The Company's exploration properties include multiple near mine infill and step out targets around the existing mining corridor at Tucano and regional targets across the approximately 2,000 km² land package in which Tucano is located.

Additional exploration properties include: El Horcón, Santa Rosa and Plomo in Mexico, all of which are wholly owned. El Horcón is located 100 km by road northwest of Guanajuato city, Santa Rosa is located approximately 15 km northeast of Guanajuato city, and the Plomo property is located in the state of Sonora, Mexico.

3.B. KEY DEVELOPMENTS

3.B.1 Three Year History

The following table reflects the key developments of the Company for the years ended December 31, 2021, 2020 and 2019, respectively.

Year	Key Developments
2021	<ul style="list-style-type: none"> The Company announced on January 29, 2021, an update to its exploration strategy and programs targeting result-driven exploration programs leading to resource replacement and near-mine growth, and longer-term organic growth through regional exploration. Great Panther announced in April 2021 the drill results from the resource replacement and expansion drilling program at Tucano, indicating continuity of mineralization of the TAP C1 deposit to approximately 50m – 70m below the current pit floor. Great Panther announced in May 2021 that wall movements were detected in the west wall of the south-central portion of the UCS at Tucano resulting in the temporary halting of mining activities in the pit. For a discussion of the status of mining of the UCS, the remediation work that has been completed and the risks associated with the UCS open pit, see Sections 5.A.9.b and Section 8.B.1 under the heading "<i>Mining and Mineral Exploration Have Substantial Operational Risks</i>" of this AIF. Great Panther announced management changes in June 2021, including the appointment of Sandra Daycock as Chief Financial Officer ("CFO") effective June 1, 2021, following the departure of the Company's former CFO in March 2021, and the appointment of Fernando A. Cornejo as Chief Operating Officer ("COO") effective July

	<p>1, 2021 following the retirement of Neil Hepworth, the Company's former COO on June 30, 2021.</p> <ul style="list-style-type: none"> • Great Panther announced the nomination of two new directors, Trudy M. Curran and Dana Williams for election to its Board of Directors at its upcoming Annual General Meeting of shareholders held on June 9, 2021. • In June 2021, Great Panther published its 2020 "Mining for Good" Sustainability Report. • Great Panther reported resumption of mining in Tucano's UCS open pit in July 2021 followed by the announcement in October 2021 of the decision to temporarily suspend operations at the UCS open pit. • Great Panther announced in July 2021 that exploration drilling has delineated continuity in the Urucum North underground zone ("URN UG") at Tucano and that additional drilling has delineated a near-surface zone of relatively high-grades with potential to extend the URN open pit design. • In September 2021 Great Panther announced TAP C open pit drill results defining continuity of mineralization and identifying a gold trend within a 20 km radius of Tucano. • Great Panther announced in September 2021 a \$20 million gold doré prepayment agreement (the "'Doré Agreement") with Asahi Refining Canada Ltd. ("Asahi"), Asahi), a wholly owned subsidiary of Asahi Holdings, Inc., as well as a \$5 million lead concentrate prepayment agreement (the "Concentrate Agreement") with Samsung C&T U.K. Ltd. ("Samsung"), a wholly owned subsidiary of Samsung C&T Corporation. For further information, see Section 4.B.2 of this AIF. • Great Panther announced the re-establishment of its \$25 million "at-the-market" facility (the "ATM Facility") pursuant to an "at-the-market" offering dated October 15, 2021 between the Company and H.C. Wainwright. • On November 1, 2021, Great Panther sold the shares of its wholly owned subsidiary Cangold Limited ("Cangold") to Newrange Gold Corp. ("Newrange") for a purchase price of CAD\$1.0 million paid as a combination of cash and common shares of Newrange. Cangold held the Company's interest in the Argosy property in Northern Ontario in the Red Lake Mining District and a 100% interest in the Company's Plomo property located in Mexico. Prior to closing, the Company completed a reorganization to retain its interest in the Plomo property. • In November 12, 2021 Great Panther announced the closing of a bought deal offering of 88,461,538 common shares for gross proceeds of \$23 million.
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	<ul style="list-style-type: none"> • The Company is redesigning the Topia Phase II TSF within the permitted area and with capacity to the end of 2023. In January 2022, the Company submitted an Environmental Impact Assessment (EIA) to obtain permits to extend the Phase II TSF area towards the north. If approved, this will provide an additional 2 years of tailings storage. • Great Panther announced in December 2021 the resignation of David Garofalo as Director and Chair of the Board and the appointment of Alan Hair, independent director of Great Panther as the new Chair of the Company. • In December 2021, Great Panther announced that it intends to file a defense to three Notices of Infraction that were delivered by the SEMA to Tucano. The Notices were issued in connection with SEMA's investigation of a fish mortality event at nearby creeks.
2020	<ul style="list-style-type: none"> • COVID-19 significantly impacted the world for much of the year and took a terrible toll on human life and well-being. This included the areas where Great Panther operates and the effects were felt by local communities and members of the Company's workforce and their families. • Despite the disruptions caused by COVID-19, Great Panther achieved its consolidated guidance range of 146,000 – 158,000 Au Eq oz producing 150,051 Au Eq oz, inclusive of 133,031 Au oz and 1,118,098 Ag oz, a 2% increase over 2019. Tucano led the way producing 125,417 Au oz. • Great Panther entered into a \$11.25 million gold doré prepayment agreement on January 6, 2020, with Samsung C&T U.K. Ltd., a wholly owned subsidiary of Samsung C&T Corporation, which completed on February 4, 2020. Following the slope displacement of the UCS pit in October 2019 (described below), initial remedial unloading work at UCS was started in the first quarter of 2020 to remove free diggable material at the top of the slope. Continued remedial unloading work involving drilling and blasting commenced in the third quarter following protocols from independent consulting firm Knight Piésold & Co. ("Knight Piésold"), which was subject to favourable results from geotechnical data gathering, including information from five geotechnical core holes drilled commencing in April 2020. Mining at UCS commenced at full capacity in late October 2020. • Great Panther announced in February 2020 plans for a \$6.6 million (55,000 m) 2020 drill program for Tucano for completion in 2020 and comprising both near-mine and regional targets. • Great Panther completed in March 2020 its inaugural Mineral Resource and Mineral Reserve estimate for Tucano, which used a more rigorous approach resulting in the reduction of Mineral

Resources (excluding Mineral Reserves) by approximately 500,000 Au oz and Mineral Reserves by approximately 489,000 Au ounces. The estimate reflected operating experience since the Company's acquisition of Tucano in March 2019 and a better understanding of the mine's geology. For more information, see the Company's press release dated March 9, 2020.

- In connection with the announcement of the updated Tucano Mineral Resource and Mineral Reserve estimate, the Company announced a further refinement of the near mine program and other opportunities to increase the mine life including possible further evaluation and the enhancement of an existing prefeasibility study supporting the development of an underground mining operation below the URN pit. A decision on further exploration or an updated technical study on the underground will follow the results of the current Phase 1 targeted drill program expected to be complete by end July 2021.
- Great Panther ceased depositing tailings on the Topia Phase II TSF in March 2020 following a recommendation from the Company's independent tailings management and geotechnical consultants. During the suspension of non-essential activities due to COVID-19, Great Panther continued monitoring the conditions on Phase II and installed additional geotechnical instrumentation. In addition, tests were carried out to determine the state of the tailings in Phase I. Extensive work has been carried out to identify and reduce the flow of water into the base of the TSF Phase I. Monitoring indicated that it was safe to return to stacking in Phase II, which was expected at that time to provide sufficient capacity until the end of 2022. Deposition at Phase II was restarted later in 2020 on the basis of continued positive results of monitoring and an interim stacking plan for Phase II received from a third-party consultant with strict control on sequence and compaction level. The Company also received the required closing permit for Phase III, which expires in 2023.
- Great Panther also completed in March 2020 new Mineral Resource estimates for the GMC.
- Great Panther completed in May 2020 a bought deal financing for aggregate gross proceeds totaling \$16.1 million, pursuant to which the Company issued 40,250,000 common shares at a price of \$0.40 per share.
- Great Panther announced new management and Board changes in April 2020, which included a new Chief Executive Officer, Rob Henderson, and three new directors including David Garofalo as Chair and Messrs. Alan Hair and Joseph Gallucci to the Board.
- The Company's Mexican mines were transitioned to care and maintenance for just over two months in April and May 2020 as a result of the Mexican Federal Government ordered suspension of

	<p>mining and processing that allowed for the implementation of protocols to reduce the spread of COVID-19.</p> <ul style="list-style-type: none"> • Great Panther reached an agreement with Nyrstar on June 27, 2020, to amend certain agreements in respect of the Company's remediation obligations in connection with Great Panther's 2017 acquisition of the Coricancha mine from Nyrstar. For more information, see Section 6A.1 of this AIF. • Great Panther published in September 2020 its inaugural Sustainability Report for the year ended December 31, 2019, highlighting the progress, initiatives and commitments in the areas of health, safety, environmental, social and governance management. • Great Panther voluntarily suspended operations at Topia in mid-November 2020 for a five-week period as a result of COVID-19. • Great Panther completed in November 2020 an update to the GMC Mineral Resource estimate increasing Measured and Indicated Resources by 17% and more than doubling Inferred Mineral Resources. • Great Panther completed in December 2020 an update to the Tucano Mineral Resource and Mineral Reserve estimate extending the LOM for an additional year.
2019	<ul style="list-style-type: none"> • Overall metal production for 2019 was 147,000 Au eq oz, representing an increase of 182% over the prior year. The increase was due primarily to the acquisition of Tucano. • The Company reported in January 2019 an update to the Mineral Resource at Topia, which increased the Measured and Indicated Mineral Resources by 28% compared to the previous estimate reported in 2014. • On January 25, 2019, the Company provided an update to the Mineral Resource at the GMC, which reported an increase in Measured and Indicated Mineral Resources of 91%. During 2018, exploration at San Ignacio consisted of both surface and underground drilling totalling 7,085 m. • The Company completed the acquisition of Tucano on March 5, 2019. For further information, see Section 18.B.1.a of this AIF and Form 51-102F4 filed on SEDAR by the Company on May 17, 2019. • All holders of Beadell's senior secured convertible debentures maturing on June 30, 2023, (the "Convertible Debentures") accepted on April 3, 2019, the Company's repurchase offer made under the terms of the indenture governing the Convertible Debentures upon a change of control. The repurchase was completed for an aggregate price of \$10.5 million, plus accrued interest.

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- The Company announced the appointment on May 7, 2019, of Mr. Kevin Ross to its Board.
 - The Company closed a bought deal financing on August 8, 2019, for aggregate gross proceeds of \$17,250,000, pursuant to which the Company issued 23,000,000 common shares of the Company at the price of \$0.75 per share.
 - The west wall of the UCS pit at Tucano underwent slope displacement on October 6, 2019, which required the pit to be closed to mining and significant effort and resources be made toward a remediation plan with the assistance of the independent consulting firm Knight Piésold. For a discussion of the status of mining of the UCS, the remediation work completed and the risks associated with the UCS, see Section 5.A.9.b and Section 8.B.1 under the heading “*Mining and Mineral Exploration Have Substantial Operational Risks*” of this AIF.
 - The Company announced on October 30, 2019, the departure of Mr. James Bannantine, President & CEO of the Company, and the assumption of Board Chair Jeffrey Mason of the additional role of Interim President & CEO until a permanent successor was in place in April 2020.
 - The Company announced on October 31, 2019, the appointment of Neil Hepworth, Chartered Engineer, UK, as COO.
 - The Company’s wholly owned subsidiary, MMR, entered into a \$10 million concentrate prepayment agreement on December 31, 2019, with the IXM Group, a physical metals trader headquartered in Geneva, Switzerland, which agreement was concluded in December 2020.
 - Based upon recommendations from an independent consulting firm, three additional instrumentation stations in the footprint of the Topia TSF were put in place in 2019 for the purposes of continuous monitoring.
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3.B.2 Developments Subsequent to the Year Ended December 31, 2021

- The Company announced on March 1, 2022 the results of the drill program completed in mid-November, 2021 after 5,219 metres of drilling focused on the Escondida, Wellington and Constancia veins. After a full evaluation of the drill results they will be incorporated into the mine development plan for Coricancha;
- On February 28, 2022 the Company reported the filing of the “NI 43-101 Mineral Resource Technical Report on the Guanajuato Mine Complex, Guanajuato and San Ignacio Operations, Guanajuato State, Mexico, as of July 31, 2021”;
- On February 11, 2022 the Company reported the filing of the “NI 43-101 Mineral Resource Technical Report on the Topia Mine, Durango State, Mexico, as of March 31, 2021”; and

- On February 25, 2022 the Company reported that Rob Henderson resigned as CEO with immediate effect with Alan Hair was appointed Interim CEO in addition to Board Chair, with a transition plan to the appointment of a permanent CEO will be developed in due course. .

3.C. SIGNIFICANT ACQUISITIONS

The Company did not complete a significant acquisition in the year ended December 31, 2021, for which disclosure is required under Part 8 of NI 51-102.

4. DESCRIPTION OF THE BUSINESS

4.A. PRINCIPAL MARKETS

Great Panther produces gold doré at Tucano in Brazil. The gold doré is refined and sold directly to refiners or metal traders. The Company also continued to produce metallic concentrates containing silver, gold, lead and zinc at its Mexican operations. These concentrates are then sold to metal traders or directly to smelters and refiners that extract the metals from the concentrates (See Section 4.B of this AIF under the heading "*Product Marketing, Sales and Distribution*"). In 2021, gold accounted for 81% of the Company's revenues, and silver accounted for 15%. The remaining 4% of the Company's revenues are from the production of lead and zinc at Topia.

Gold and silver are precious metals traded as commodities primarily on the London Bullion Market Association (the "LBMA") and Comex in New York (the "CME"). The LBMA is an international trade association, representing the London market for gold and silver bullion, which has a global client base. This includes the majority of the gold-holding central banks, private sector investors, mining companies, producers, refiners and fabricators. The ongoing work of the LBMA covers a number of areas, among them refining standards, trading documentation and the development of good trading practices. The maintenance of the "Good Delivery List", including the accreditation of new refiners and the regular retesting of listed refiners, is the most important core activity of the LBMA.

The LBMA gold price auction takes place twice daily by ICE Benchmark Administration at 10:30 and 15:00 London time with the price set in US dollars per ounce. The price is displayed on the LBMA'S website with a 30-minute delay. The LBMA silver price auction is operated by CME and administered by Thomson Reuters. The price is set daily in US dollars per ounce at 12:00 noon London time and is displayed on the LBMA's website with a 15-minute delay. Reference prices for both gold and silver are also available in British Pounds and in Euros.

The gold and silver business is cyclical as smelting and refining charges rise and fall depending upon the demand for, and supply of, gold bullion and silver-gold concentrates in the market. In addition, the market prices of gold and silver have historically fluctuated widely and are affected by numerous global factors beyond the control of the Company and the mining industry in general.

Gold demand comprises four primary categories: jewelry, investment, central banks and other financial institutions, and technology. Jewelry has always been a dominant source of demand for gold and accounts for approximately half of world gold demand. Investment in gold by institutional and private

investors accounts for around one-third of global demand and is made up of direct ownership of bars and coins, or indirect ownership via Exchange-Traded Funds and similar products. Gold is also one of the few assets that is universally permitted by the investment guidelines of the world's central banks due, in part, to the gold market being deep and liquid. Around 8% of the world demand for gold is for technical applications.

The electronics industry accounts for the majority of the demand in technical applications, where gold's conductivity and resistance to corrosion make it the material of choice for manufacturers of high-specification components. In addition, the metal's excellent biocompatibility means that it continues to be used in dentistry. Beyond electronics and dentistry, gold is used across a variety of high-technology industries, in complex and difficult environments, including the space industry and in fuel cells. Gold's catalytic properties are also beginning to create demand both within the automotive sector, as the metal has now been proven to be a commercially viable alternative to other materials in catalytic converters, and within the chemical industry.

In 2021, total physical silver demand accounted for 896.1 million ounces per the Silver Institute, World Silver Survey 2021, and comprised the following end markets categories: industrial use (54%), coins and bars (22%), and silver jewelry (16%) and silverware (4%). Approximately 63% of the industrial use is for electrical and electronic components and 21% is accounted for by use in the manufacturing of photovoltaics (solar cells). Silver has many key, and in some cases unique, properties such as durability, malleability, ductility, reflectivity, electrical conductivity, and antibacterial properties, which makes it valuable in numerous industrial applications. The applications include circuit boards, electrical wiring, superconductors, brazing and soldering, mirror and window coatings, electroplating, chemical catalysts, pharmaceuticals, filtration systems, solar panels, batteries, televisions, household appliances and automobiles. The unique properties of silver also make it difficult to substitute the element in its industrial applications.

4.B. PRODUCT MARKETING, SALES AND DISTRIBUTION

4.B.1 Overview

The principal customers for the Company's gold and metallic concentrates are international traders, smelters and refineries in Europe, Mexico, and Asia. For the year ended December 31, 2021, six customers accounted for all of the Company's revenues. Tucano produces gold doré and accounted for \$141.6 million of revenue in 2021. Topia produces a lead concentrate and a zinc concentrate, and the GMC produces a silver-gold concentrate. Topia and the GMC generated revenues of \$22.4 million and \$21.7 million in 2021, net of smelting and refining charges.

There is a global market for refined gold and metallic concentrates and the Company continues to identify and evaluate new buyers for its refined gold and metallic concentrates through an active marketing process. Great Panther's head office in Vancouver provides sales and marketing services to its mining operations in respect of the sale of refined gold and metallic concentrates produced by its operations. The Company's gold is typically sold once it has been refined to LBMA Good Delivery form.

For the Company's sale of refined gold, the delivery of gold doré is made via land and air to a single refinery and is then refined to LBMA Good Delivery form. Typically, the refinery then allocates the refined gold to the Company's end customer. Under the Doré Agreement, Asahi has exclusive offtake rights for 100% of the gold produced from the Tucano mine. The price for the refined gold is based on the prevailing market price of gold at the time of trading, with the exception that a 0.5% discount is

applied to gold sold under the Doré Agreement, which is recorded as financing cost and otherwise no adjustments to revenue are made subsequent to the initial recognition. For more information on the Doré Agreement, see Section 4.B.1.b of this AIF below.

For the Company's sale of metallic concentrates, the smelters and international traders pay the Company for an agreed upon percentage of the contained gold and other metals contained in the Company's concentrates, net of refining, smelting and other applicable charges. Revenues reported by the Company are net of these charges. The pricing for the contained metals in the concentrate is typically the average of all the daily quoted market prices within a specific month or other agreed period of time.

The delivery of metal concentrates is typically made by truck to customers' warehouses. As concentrates can vary in terms of grade and quality from shipment to shipment, the sales are subject to a final settlement process to adjust for any variances. After the physical transfer of the metal concentrate, the Company has the right to request advance payments based on the provisional value of shipments calculated at spot prices for the contained metals. Such advances are typically 90% to 95% of the provisional value and are typically payable within 15 days from the date of the provisional invoice, depending on the specific contract. A final payment or adjustment is made on the date of final settlement, once all information regarding concentrate content is known, typically within five business days after the final weights, assays and prices are known and invoiced.

For the metallic concentrates, the sales and marketing generally involve an annual competitive tendering process and marketing and relationship development throughout the year. The tendering process culminates in the Company's Mexican subsidiary entering into contracts with metal traders or smelting and refining companies for generally a one-year term. The tendering process enables the Company to review and renegotiate the terms of its contracts annually to ensure that it receives the most competitive pricing and terms possible. In 2019, the Company entered into a two-year agreement with an international trader for 100% of concentrate production from the GMC. In 2021, the Company entered into the Concentrate Agreement with Samsung for 100% of the lead concentrate production, and another agreement with an international trader for 100% of the zinc concentrate production, each from the Topia mine.

4.B.2 Gold Doré Prepayment Agreement and Lead Concentrate Prepayment Agreement

On September 21, 2021, the Company announced that it has entered into the Doré Agreement with Asahi, as well as the Concentrate Agreement with Samsung.

Under the Doré Agreement, Asahi has agreed to advance a \$20.0 million prepayment (the "Asahi Advance") to Great Panther in consideration for the equivalent value in gold ("the Prepaid Doré"), to be delivered over a 12-month period in installments of equal value commencing in April 2022. The Prepaid Doré will be sold at a 0.5% discount to the spot price of gold at the time of delivery and will be used to offset repayments of the Asahi Advance. The discount is recorded in financing costs together with interest at an annual rate of 1-month USD LIBOR plus 4.75% and is secured by a pledge of all equity interests in Great Panther's Brazilian subsidiary, Mina Tucano, which owns Tucano. Great Panther has a full option for early repayment of the Asahi Advance, subject to a 3% penalty applied to the outstanding balance at the time of repayment. The Doré Agreement also provides exclusivity on refining and gold sales for 100% of the remaining production of Tucano during the term of the agreement.

Under the Concentrate Agreement, Samsung agreed to advance a \$5.0 million prepayment (the "Samsung Advance") to Great Panther's Mexican subsidiary, Minera Mexicana El Rosario S.A. de C.V.

("MMR") in consideration for exclusive offtake of the lead concentrate production from Topia up to a maximum contract quantity of 5,400 DMT representing approximately 21 months of production from the mine. The Concentrate Agreement also gives Samsung a right of first offer on an additional 12 months of concentrate. The Samsung Advance is repayable in twelve equal monthly instalments commencing in April 2022. The Samsung Advance bears interest at an annual rate of 3-month USD LIBOR plus 6.5% and will be secured by a pledge of all equity interests in MMR. MMR has a full option for early repayment of the Samsung Advance, subject to a 3% penalty applied to the outstanding balance. The remaining balance of \$3.2 million on the Company's then existing gold doré agreement with Samsung was repaid in full and cancelled and the pledge of shares to Samsung of the Company's shares in Mina Tucano was released. Samsung's right of offer for concentrates produced from the Company's Coricancha Mine project in certain circumstances remains in effect. On November 2, 2021, the Company completed the conditions precedent for funding under the Samsung Advance and funds were received.

Revenue Figures

(in thousands)	Year ended December 31, 2021				Year ended December 31, 2020			
	Tucano	GMC	Topia	Total	Tucano	GMC	Topia	Total
Gold revenue	\$141,333	\$11,578	\$1,470	\$154,381	\$223,272	\$11,889	\$1,137	\$236,298
Silver revenue	295	11,591	16,381	28,267	487	10,816	12,036	23,339
Lead revenue	-	-	2,712	2,712	-	-	2,146	2,146
Zinc revenue	-	-	4,176	4,176	-	-	3,088	3,088
Ore processing revenue	-	-	-	-	-	-	34	34
Smelting and refining charges	(46)	(1,482)	(2,330)	(3,858)	(69)	(1,486)	(2,545)	(4,100)
Total revenue	\$141,582	\$21,687	\$22,409	\$185,678	\$223,690	\$21,219	\$15,896	\$260,805

4.C. SEASONALITY

The Company's Tucano operation is subject to seasonal fluctuations as a result of weather conditions. Specifically, Tucano's production is typically stronger in the second half of a calendar year (normally August until January) as the dry season enables higher rates of mining productivity and the mine plan is characterized by lower strip ratios and access to higher grades in the open pits. Accordingly, Tucano typically has more favourable operating results in the second half of the year. The climate in Mexico allows exploration, mining and milling operations to be carried out year-round. Therefore, revenue and cost of sales generally do not exhibit variations due to seasonality. The exceptions are periods of excessive drought, which may limit or defer processing of mineralized material and/or concentrate. The dry season in Mexico generally extends from October through April. The Company has not experienced a suspension of mining and processing activities due to drought in any of the last three fiscal years.

The climate in Peru at the location of Coricancha, which is currently on care and maintenance, also allows mining activities to be carried out year-round. There is a rainy season from January to March that has in the past caused flooding and disruptions to operations in the area where Coricancha is located.

4.D. SPECIALIZED SKILL AND KNOWLEDGE

The Company's business requires specialized skills and knowledge in the areas of geology, mining, metallurgy, social and environmental studies, permitting, claim management and finance. The Company has a number of employees with extensive experience in mining, engineering, finance, geology, exploration and development, including but not limited to, Mr. Alan Hair, Chair and Interim Chief Executive Officer and non-independent director; Sandra Daycock, Chief Financial Officer; Fernando A. Cornejo, Chief Operating Officer; and Nicholas Winer, Vice President, Exploration.

4.E. COMPETITIVE CONDITIONS

The Company's business is to mine and process mineralized material and sell gold doré and precious and base metals concentrates. Prices for its products are determined by world markets over which it has no influence or control. The Company also competes with other mining companies, some of which have greater financial resources and technical facilities, for the acquisition of mineral interests, as well as for the recruitment and retention of qualified employees.

4.F. DOING BUSINESS IN BRAZIL, MEXICO AND PERU

4.F.1 Mining in Brazil

Brazil is a jurisdiction with a long history of mining. In Brazil, the National Mining Agency ("ANM") is the federal agency entitled to regulate mining activities in Brazil. ANM was created in 2017, through Law No. 13.575/2017, replacing the National Department of Mines ("DNPM"), and regulates the conduct of exploration, development and mining operations.

Mining operations in Brazil are regulated primarily by Decree No. 227 of February 28, 1967, the Brazilian Mining Code enacted by Decree No. 62,934 of July 2, 1968, and certain rulings, such as the Consolidation of DNPM Regulations issued by DNPM Ruling No. 155 on May 17, 2016, and more recently federal laws No. 13.540/2017 and No. 13.575/2017 and, more recently, Decree No. 9,406 of June 12, 2018, which updated DNPM Ruling 155/2016 and established the new regulation of the Brazilian Mining Code.

The ANM requires certain fee payments for exploration licenses (known as the Annual Fee per Hectare), certain royalty payments to the federal government for the mining concessions (known as Financial Compensation for the Exploitation of Mineral Resources - "CFEM") and for royalty payments to be made to the landowner if the surface rights are not held by the holder of the mineral rights. Mining activities are subject to a statutory royalty, CFEM, on the revenue arising from the sale of mineral product. Federal Law No. 13,540/2017 increased the CFEM rate for gold from 1.0% to 1.5% on the gross revenue.

On November 8, 2021, the Company received a letter from SEMA that confirmed that the Company's renewal request complied with the above-mentioned laws and officially extended the permit from November 9, 2021 until final examination of the renewal application is complete. The renewal request remains under review by SEMA.

In Brazil, failure to demonstrate the existence of technical and economically viable mineral deposits covered by an exploration license within the validity of such license may lead to the license being required to be returned to the federal government. The federal government may then grant the

exploration license to other parties that may conduct other mineral prospecting activities at said area. Nonetheless, mining activities are also subject to state and municipal laws, particularly on taxes and the environment.

Exploration activities are authorized by Exploration Licenses granted by the ANM. In general, such licenses are valid for a three-year period. Licenses are usually renewable upon request for an additional three years, at ANM's discretion. Exploitation activities are authorized by Mining Concessions, granted by the Ministry of Mines and Energy. Mining Concessions have no expiration date, being valid until the depletion of the mineral deposit.

The Brazilian state and federal governments from time to time implements changes to tax laws and regulations. Any such changes, as well as changes in the interpretation of such laws and regulations, may result in increases to the Company's overall tax burden, which would negatively affect its profitability. The Brazilian federal government has frequently implemented multiple changes to tax regimes. Potential changes include (among others) modifications to prevailing tax rates and the enactment of taxes, which may be temporary, the proceeds of which are earmarked for designated governmental purposes. Some of these changes may result in increasing the Company's tax burden, which could materially adversely affect profitability and increase the prices of products and services, restrict its ability to do business in existing and target markets and cause its financial results to suffer. Moreover, some tax laws may be subject to controversial interpretation by tax authorities, including, but not limited to, the regulation applicable to corporate restructurings.

For a discussion of risks associated with the regulatory framework that Company is subject to, see Section 8 of this AIF under the heading "*Risk Factors – Political Risks and Government Regulations*".

4.F.2 Mining in Mexico

The mining industry in Mexico is controlled by the Secretaría de Economía – Dirección General de Minas, which is located in, and administered from, Mexico City. Mining concessions in Mexico may only be obtained by Mexican nationals or Mexican companies incorporated under Mexican laws. The construction of processing plants requires further governmental approval.

In Mexico, surface land rights are distinct from the mining concessions.

The holder of a mining concession is granted the exclusive right to explore and develop a designated area. Mining concessions are granted for 50 years from the date of their registration with the Public Registry of Mining to the concession holder as a matter of law, if all regulations have been complied with. During the final five years of this period, the concession holder may apply for one additional 50-year period, which is automatically granted provided all other concession terms have been complied with. Mining rights in Mexico can be transferred by their private holders with no restrictions or requirements other than to register the transaction with the Public Registry of Mining.

In accordance with the Federal Duties Law, the holder of a mining concession is obligated to pay biannual duties in January and July of each year based upon the number of hectares covered by the concession area.

Concessionaires must perform work each year that must begin within 90 days of the concession being granted. Concessionaires must file proof of the work performed each May. Non-compliance with these requirements is cause for cancellation only after the Secretariat of Economy of Mexico communicates in writing to the concessionaire of any such default, granting the concessionaire a specified time frame in which to remedy the default.

If a concession holder does not carry out exploration and exploitation activities for two continuous years within the first 11 years of its concession title, it will be required to pay an additional charge equal to 50% of the two-year concession duty. The concession duty increases to 100% for continued inactivity after the 12th year. Payment of the additional concession duty is due 30 days after the end of the two-year period.

In Mexico, there are no limitations on the total amount of mining concessions or on the amount of land that may be held by an individual or a company. Excessive accumulation of concessions is regulated indirectly through the duties levied on the property and the production and exploration requirements as outlined above.

Mexican mining law requires the payment of a discovery premium related to National Mineral Reserves, Concessions in Marine Zones, and Allotments to the Council of Mineral Resources.

Environmental protection regulations in Mexico require permits for mine operations and exploration, for operating a processing plant, for the discharge and/or deposition, and for changes to grandfathered projects. There are four government departments that deal with and regulate such affairs.

Mining companies are subject to a special mining duty of 7.5% on profits derived from the sale of minerals, and an extraordinary mining duty of 0.5% on the gross value of sales of gold, silver and platinum.

On January 13, 2021, a bill was proposed to replace the ordinary mining duty (surface fee up-to MXN\$165 per hectare of the concession) with a royalty payment of 5% or 8% of the gross sales of minerals (8% in the case of gold, silver and copper). This would have been in addition to the special mining duty and extraordinary mining duty currently applicable. However, the bill was not approved except for some minor adjustments to the calculation of the duty to reflect inflation. However, as part of the 2021 tax reform, the right to credit the ordinary mining duty payments against the special mining duty payments was eliminated for 2022 onward and reduced to 50% for 2021. This is expected to result in an increase in the tax burden for Mexican operations since 73% of the special mining duty collected from all mining companies was paid through such credit mechanism.

For a further discussion of risks associated with the regulatory framework that Company is subject to, see Section 8.A.7 of this AIF under the heading *"Political Risk and Government Regulations"*.

4.F.3 Mining in Peru

In Peru, the General Mining Law allows mining companies to obtain clear and secure title to mining concessions. Surface land rights are distinct from mining concessions. The government retains ownership of all subsurface land and Mineral Resources, but the titleholder of the concessions retains ownership of extracted Mineral Resources. Peruvian law requires that all operators of mines in Peru have an agreement with the owners of the land surface above the mining rights or to establish an easement upon such surface for mining purposes. Mining concessions allow for both exploration and for exploitation.

Mining rights in Peru can be transferred by their private holders with no restrictions or requirements other than to register the transaction with the Public Mining Register. The sale of mineral products is also unrestricted, so there is no obligation to satisfy the internal market before exporting products.

Peru enacted environmental laws whereby the MEM and the Environmental Ministry have issued regulations mandating environmental standards for the mining industry. Under these standards, new

mining development and production requires mining companies to file and obtain approval for an Environmental Impact Assessment, which incorporates technical, environmental and social matters, before being authorized to commence operations.

OEFA is the government agency that monitors environmental compliance. OEFA has the authority to carry out audits and levy fines on companies if they fail to comply with prescribed environmental standards and permits. OSINERGMIN is the government agency in charge of supervising the compliance of safety and technical regulations. In a similar way to OEFA, the OSINERGMIN may impose fines and sanctions in case such regulations are not complied with.

In addition, there is regulation for obtaining permits for the use and acquisition of explosives for civilian use, through SUCAMEC, the National Superintendency of Control of Security Services, Weapons, Ammunition, and Explosives for Civilian Use authority, a specialized technical institution attached to the Ministry of the Interior.

The following permits are generally needed for a project: Certificate for the Inexistence of Archaeological Remains Environmental Impact Assessment; Mine Closure Plan; Establishment of a Financial Guarantee for Closure; Beneficiation Concession; Mining Transportation Concession; Permanent Power Concession; Water Usage and Discharge Permits; Easements and Rights-of-way; District and Provincial Municipality Licenses and Construction and Operation Permits within its jurisdiction.

Companies incorporated in Peru are subject to income tax on their worldwide taxable income, while foreign companies that are located in Peru and non-resident entities are taxed on income from Peruvian sources only. The corporate income tax is 29.5%, in addition 8% of profit sharing to employees. In general terms, mining companies in Peru are subject to the general corporate income tax regime. If the taxpayer has elected to sign a Stability Agreement, an additional 2% premium is applied on the regular corporate income tax rate. The Company has not signed a Stability Agreement. Also, 50% of income tax paid by a mine to the Central Government is remitted as "Canon" by the Central Government back to the regional and local authorities of the area where the mine is located.

In Peru, a dividend tax rate of 5% is imposed on distributions of profits to non-residents and domiciled individuals by resident companies and by branches, permanent establishments and agencies of foreign companies.

Peru has a royalty referred to as the Modified Mining Royalty ("Peruvian Royalty") that applies to operating income at marginal rates ranging from 1% to 12%, which is payable quarterly. Operating income is defined as revenues from the sale of Mineral Resources, less cost of goods sold, less operating expenses, based on Peruvian statutory reporting regulations, with minor adjustments for interest and exploration expenditures.

Under the Peruvian Royalty regime, an "operating income" to "mining operating revenue" measure (operating profit margin) is calculated each quarter and the royalty rate increases with the increase in operating margin. Although the Peruvian Royalty is based on operating income, a company must pay at least 1% of sales, regardless of its profitability.

In addition, a Special Mining Tax ("SMT") is a tax imposed in parallel with the Peruvian Royalty. The SMT is applied on operating mining income based on a progressive scale, with marginal rates ranging from 2% to 8.4%. The SMT is also payable on a quarterly basis.

On August 18, 2021, the Peruvian government introduced a new Mine Closure Law (Law No. 31347). The new law contemplates changes to the mine closure financial assurance requirement applicable to all mining companies in Peru. Whereas previously, companies were required to provide financial assurance to cover “Final” and “Post-Closure” stages of the Mine Closure Plan, under the amended law the financial assurance requirement is inclusive of “Progressive Closure” costs (i.e., closure activities during the operation of the mine) for the main components of the mine. In January 2022, the draft regulations were published for comment that outlined more details on the timing for receipt of the Progressive Closure bonds and allowed for a comment period from the mining industry. The Petroleum and Energy Society prepared a consolidated response to the regulations. Until the publication of the new regulations, the Company cannot estimate with certainty the amount or timing of incremental financial assurance requirements for Coricancha or the impact of such requirements on the Company’s liquidity.

For a discussion of risks associated with the regulatory framework that Company is subject to, see Section 8 of this AIF under the heading “*Risk Factors – Political Risk and Government Regulations*”.

4.G. ENVIRONMENTAL PROTECTION

The Company has taken a proactive approach to managing environmental risk. In Mexico, it is participating in a voluntary environmental audit of its GMC and Topia operations. The outcomes of these audits are multi-year environmental programs, working in cooperation with PROFEPA to ensure compliance with regulations governing the protection of the environment in Mexico.

In Brazil, all licenses required by various government agencies covering the operation of Tucano and its mill and processing plant have been obtained or applications for renewals have been filed and expected in the ordinary course of business. Complete environmental studies, permitting and social or community impact, were carried out by a third-party consultant in 2011 for the Operating License issued by the State Secretariat of Environment in Amapá, SEMA, to operate a SAG7 mill/CIL processing plant. The Company will be required to obtain further approvals with respect to construction of certain of its additional TSFs. For a discussion of these additional TSFs, see Section 5.A.12 of this AIF under the heading “*Infrastructure, Permitting and Compliance Activities*”.

Groundwater and surface water monitoring is performed through field checking of daily monitoring activities and collection of samples for chemical analysis at Tucano’s facilities. There are also monthly, quarterly, and half-yearly sample collections as required by environmental agencies, which are required to be sent to a certified external laboratory.

In Peru, the Company is required to remediate certain legacy tailings facilities at Coricancha under a remediation plan approved by the MEM, the relevant regulatory body. In addition, as part of the purchase of Coricancha, the Company has an agreement with Nyrstar for the reimbursement of the cost of reclamation or remediation activities associated with the legacy tailings facilities up to a maximum of \$20 million. The Company is seeking approval of a modification to a remediation plan from the MEM to remediate the tailings in situ in accordance with the recommendations of an independent consultant to preserve the stability of nearby areas. The Company has stopped reclamation activity, pending a decision from the MEM regarding the proposal to modify the approved remediation plan.

In August 2018, to protect itself from any pending or future fines, penalties, regulatory action or charges from government authorities and to request the MEM issue a decision of the proposed modification to the remediation plan for legacy tailings, the Company initiated a constitutional case and was successfully awarded an injunction to prevent fines and penalties until MEM issues its decision. The constitutional case sought Peruvian Judiciary orders that: (i) the MEM issue a decision on the Company’s proposed

modified Coricancha Mine Closure Plan; and (ii) the OEFA and OSINERGMIN refrain from requesting the Company to move the Cancha 1 and 2 tailings while the MEM issues its decision.

In January 2021, the Peruvian Judiciary dismissed the Company's constitutional lawsuit in connection to OEFA and OSINERGMIN and on June 10, 2021, the injunction obtained by the Company regarding this constitutional case was cancelled, which exposes the Company to potential fines, penalties, regulatory action or charges from government authorities. As a result of the exposure to fines, the Company has been running a dual strategy to continue to push for amendment of the Closure Plan and in parallel, to review the current stability of the Cancha 1 and 2 tailings. The Company has engaged a consultant to complete the engineering work and develop an engineered tailings removal operating plan and closure plan for Canchas 1 and 2. The Company is also continuing to engage with the MEM to reach a conclusion regarding the Modified Mine Closure Plan. However, given the unsettled political environment in Peru including multiple changes in leadership at the MEM, there can be no assurance that a resolution can be found in a timely manner.

In addition to the Coricancha legacy tailings, material removal from old waste dumps is required by OSINERGMIN. In 2020, the waste that showed favourable economics was processed in the Coricancha process plant. Approximately 150,000 tons of waste remains to be moved to a purpose-built waste dump at Huamuyo Alto.

As at December 31, 2021, the Company has a provision of \$70.9 million on its Statement of Financial Position for the estimated present cost of reclamation and remediation expenditures associated with the future closure of its mineral properties and plant and equipment at the GMC, Topia, Tucano and Coricancha. The estimated expenditures are to commence near the end of each mine's useful life except as may be required by applicable law. For a discussion of risks associated with the estimate of reclamation liabilities, see Section 8.D. of the AIF under the heading "*Substantial Decommissioning and Reclamation Costs*".

For additional discussion of environmental considerations, please refer to sections entitled "*Infrastructure, Permitting and Compliance*" in Sections 5 and 6 of this AIF.

4.H. EMPLOYEES

The following table sets out the Company's employees at December 31, 2021, 2020 and 2019, by country.

Country	2021	2020	2019
Canada	21	23	21
Brazil	505	441	424
Mexico ¹	514	277	270
Peru	54	46	105
Other	-	-	1
TOTAL	1,094	787	821

Note:

1. As a result of the Mexico labour reform legislation enacted in 2021, MMR the Company's subsidiary in Mexico is not permitted to hire contractors for core services and certain services previously performed by contractors were replaced with employees.

4.I. COMMUNITY ENGAGEMENT AND SUSTAINABLE DEVELOPMENT

4.I.1 Overview

Great Panther is committed to responsible mining and believes that sharing the value created by the Company's activities contributes to its host communities' social and economic development.

The Company's sustainable development approach is planned to ensure that programs are designed as catalysts for mutual and lasting socio-economic benefits. These initiatives are based on active collaboration with host communities and aim to contribute to healthy and sustainable societies. Great Panther believes that two-way engagement builds trust and fosters genuine partnerships with local stakeholders. Consequently, it relies on respectful, open and frequent communication with the members of its neighbouring communities.

Stakeholder engagement and social investment programs implemented by the Company in Brazil, Mexico and Peru also include partnerships with local governments and civil society organizations and are focused on three main areas: socio-economic development, public health and safety, and natural and cultural heritage. As described in its Social Investment Policy, the Company prioritizes social investment initiatives that contribute to improving the quality of life of the communities surrounding its operations and that continue to make positive impacts beyond its participation.

Great Panther's community relations teams implement comprehensive stakeholder engagement initiatives with the local communities to create and maintain mutually beneficial relationships by understanding the positive influence that mines and projects can have on regional development.

Specifically, at Tucano, as part of its operating license requirements, the Company annually contributes capital to the Social and Environmental Compensation Funds of the local municipalities of Pedra Branca and Serra do Navio in the state of Amapá. An elected council with representatives of the communities, City Hall, City Council and the Company reviews and analyzes the community development to be executed under this agreement in their respective municipalities.

4.I.2 Sustainability Reporting

In 2021, Great Panther published its “Mining for Good” Sustainability Report, which was prepared following the Global Reporting Initiative (“GRI”) Standards and the GRI Mining & Metals Sector Disclosures. The Sustainability Report outlines the Company’s sustainability approach across various topics deemed material by its stakeholder groups and summarizes sustainability performance in 2020. The Sustainability Report also underscores Great Panther’s ongoing commitment to transparency with all stakeholders and is available for viewing on the Company’s website (www.greatpanther.com/sustainability). The Sustainability Report does not form part of this AIF.

4.J. HEALTH AND SAFETY

4.J.1 Overview

Health and Safety is an issue that affects workers around the globe. Health and Safety risks are inherent to all mining operations and the mining industry has developed best practices at international and national levels. Great Panther believes that all injuries and occupational diseases can be prevented and recognizes that everyone is entitled to work in a safe and healthy workplace. Potential safety hazards at mines include working near heavy equipment and working near rock faces either on surface or underground. Health and Safety also includes the prevention of occupational diseases or injury resulting from exposure to harmful elements such as noise and dust. With the commitment to ensuring that employees and contractors can perform their work safely, the Company’s vision is that every person goes home safely every day.

4.J.2 Safety Management and Training

All sites are responsible for producing a Safety Management Plan. This plan establishes clear accountability for safety and health performance, details the controls and practices for minimizing hazards, and ensures effective safety systems audits. There is also a requirement for regular reviews and updates of these plans, informed by employee feedback.

The Company invests significantly in onsite training at its mines to comply with national safety regulations and in response to employee consultations, which helps to identify specific issues that require further attention.

The Company’s ‘safety culture,’ is based on three key pillars: The “Beyond Zero” vision, the Company’s safety management plans, and global safety events such as the Safety Olympics and the Kenneth W. Major Safety Award.

Safety is behavioral and therefore, training is focused on changing behaviors through risk assessment at the workplace using the POPA (Pause, Observe, Plan and Act) tool, as well as safety interactions and safety talks in all regions.

In alignment with a Health and Safety Declaration developed for each of the mine sites, the Company monitors types and rates of injury to understand if its efforts effectively increase safety in the workforce.

These indicators are:

- Incident rate – number of accidents/person-hours worked x 200,000 worked hours
- Severity rate – number of lost days/person-hours worked x 200,000 worked hours
- Occupational illness – number of people that were officially recognized by local health authorities with an occupational illness
- Fatalities

4.J.3 Monitoring and Addressing Safety Risks

A good safety culture includes a process of constant improvement by which risks are continuously identified and responsibly managed. Complying with, and going beyond, safety regulations is essential for the Company's business. Great Panther's mine sites work closely with Ministries of Labour in all countries where it operates and carries out audits to identify risks and prevent accidents. The Company also conducts detailed risk analyses to identify the risks and hazards associated with all routine and specialized tasks. During this process, probability and severity of an injury are evaluated. This process results in a recommendation of the type of equipment for female and male workers that must be used and other measures to mitigate risks. Risk analyses are updated every one to two years or whenever a new task or change in the environment warrants it.

The Company also engages third parties to carry out specific work environment studies (noise, dust, vibration, temperature and lighting). The outcomes of these studies determine whether or not the current exposure is within the permissible limit of the norm.

The Company has introduced global safety initiatives to foster safety awareness and recognize safety champions within its operations, including a Safety Olympics and the Kenneth W. Major Safety Award.

On February 22, 2018, Great Panther regretfully announced the passing away of Mr. Kenneth W. Major, who had served as Director of the Company since March 2011, including distinguished service as Chair of the then Safety, Health and Environment Committee, in addition to service on other committees of the Board. In Mr. Major's honour, the Company established the Kenneth W. Major Award for Safety Excellence to annually recognize Great Panther employees and contractors who exemplify Mr. Major's value of safety in the workplace. Since its introduction, the Kenneth W. Major Award for Safety Excellence has been awarded to 23 individuals.

The Safety Olympics originally started in Brazil during 2020 with excellent results. In 2021, the initiative was extrapolated to all operations and projects within Great Panther. The objective of the Safety Olympics is to promote the use of safety tools, encourage safety communication and reporting as well as focus the workforce on risk assessment to address unsafe acts and conditions.

4.J.4 Emergency Preparedness

Great Panther has a corporate crisis plan and emergency response plans for different situations or contingencies at each operation that are reviewed and updated throughout the year. The emergency response plans focus on protecting its people, the environment and the Company's assets. During the year, Great Panther mine sites conduct emergency preparedness activities to test and refine procedures

for a variety of incidents, from landslides to chemical spills. These activities include evacuation drills, emergency simulations, first aid and search and rescue training by the Company's emergency brigades.

4.J.5 COVID-19

Great Panther is closely monitoring the effects of the spread of COVID-19 with a focus on the jurisdictions in which the Company operates and its head office location in Canada. The rapid worldwide spread of COVID-19 has resulted in governments implementing restrictive measures to curb the spread of the virus. During this period of uncertainty, Great Panther's priority is to safeguard the health and safety of personnel and host communities, support and enforce government actions to slow the spread of COVID-19 and assess and mitigate the risks to the Company's business continuity.

In response to the increased rate of spread of COVID-19, including the high incidence of infection in areas where the Company operates, Great Panther has developed and implemented COVID-19 prevention, monitoring and response plans following the guidelines of the World Health Organization and the governments and regulatory agencies of each country in which it operates to ensure a safe work environment. The Company is focused on maintaining top-of-mind awareness about prevention practices within the organization and the communities that surround its operations. Vaccination programs are advancing and vigilance is of the utmost importance to support health authorities during this time. There is no assurance that the Company's plans and protocols will effectively stop the spread of the COVID-19 virus. The Company may experience an increase in COVID-19 infection amongst its employees and contractors even with enhanced safety protocols and safeguards.

The Company has prepared contingency plans if there is a full or partial shutdown at any of its operations and is prepared to act quickly to implement them. If authorities seek to restrict mining activities to mitigate the spread of COVID-19 or if the Company faces workforce shortages due to the spread, the Company will endeavour to do so to satisfy authorities and address workforce availability without executing a complete shutdown. The Company cannot provide assurance that there will not be interruptions to its operations in the future.

The Company has experienced workforce shortages, including a reduction in the availability of supervisory staff at its operations as a result of COVID-19, particularly in its Mexican operations. The Company has also experienced delays in the permitting process associated with its operations and exploration and development work programs.

For more information about COVID-19 and the effects on the Company's business, see Section 8 of this AIF under the heading "Risk Factors – COVID-19 and Other Pandemics".

5. MINING PROPERTIES

The Company has three wholly owned mining operations, including the Tucano gold mine, which produces gold doré and is located in Amapá State in northern Brazil, the Topia mine in the state of Durango, Mexico, which produces concentrates containing silver, gold, lead and zinc, and the GMC in the state of Guanajuato, Mexico. The GMC comprises Guanajuato, San Ignacio and the Cata processing plant, which produces silver and gold concentrates. Guanajuato and the Cata processing plant were placed on care and maintenance effective November 30, 2021, and San Ignacio was placed on care and maintenance in January 2022.

Great Panther also owns the Coricancha which is located in the central Andes of Peru, approximately 90 km east of Lima. Coricancha has been on care and maintenance since August 2013 and the Company is evaluating options for the property.

Great Panther also owns several exploration properties, which include El Horcón, Santa Rosa and Plomo in Mexico. The El Horcón property is located 100 km by road northwest of Guanajuato, Santa Rosa is located 15 km northeast of Guanajuato, and the Plomo property is located in Sonora, Mexico.

5.A. TUCANO

The scientific and technical information on Tucano in this Section 5.A of the AIF is based on the Tucano Technical Report described in Section 1.E of the AIF. The conclusions, projections and estimates as well as certain other information included in this Section of the AIF are presented in summary form and subject to the qualifications, assumptions and exclusions set out in the Tucano Technical Report. Readers are recommended to read the Tucano Technical Report in its entirety to fully understand the project. The Tucano Technical Report is available on SEDAR (sedar.com) or on EDGAR (sec.gov).

5.A.1 Overview

Great Panther owns a 100% interest in Tucano through its wholly owned subsidiary, Mina Tucano. Tucano consists of open pits that deliver ore to a 3.6 million tonnes per annum processing plant located at Tucano and has exploration licenses and mining concessions spread across approximately 2,000 km². In 2021, Tucano produced 79,348 gold ounces.

5.A.2 Project Description, Location and Access

5.A.2.a Property Description

The property comprises 39 mineral rights, concessions and leases, totalling 197,283 ha. Great Panther, through its wholly owned Brazilian subsidiaries, has 100% ownership of all tenements except for one tenement that is not part of the key tenement package, of which it holds a 49% interest. References to the “property” in this Section 5.A are to Tucano.

Exploitation activities are authorized by Mining Concessions, granted by the Ministry of Mines and Energy. Mining Concessions have no expiration date, being valid until the depletion of mineral deposit. The Tucano Mining Concession (851.676/1992) and Exploitation Application (850.865/1987) are centered within an approximately 140,000 ha block of key, contiguous exploration tenements held by Great Panther. These tenements cover a large part of the approximately 90 km strike of prospective Paleoproterozoic greenstone terrain.

Tucano also has a Mining Lease (858.079/2014) within Mining Concessions awarded to DEV Mineração SA. These mineral rights were previously held by Zamin Amapá Mineração S.A. that in 2017 entered into receivership. The Concessions are for iron ore and border to the southeast the Tucano Mining License. Tucano is awaiting clarification with DEV of its rights under a private agreement that permits the exploration of gold by Tucano within the DEV mineral rights.

On November 8, 2021, the Company received a letter from SEMA that confirmed that the Company’s renewal request complied with the above-mentioned laws and officially extended the permit from November 9, 2021 until final examination of the renewal application is complete.

The balance of Tucano mineral rights are Exploration Licenses granted by the ANM that authorize exploration activities and have varying degrees of exploration work associated with them. In general, such licenses are valid for a three-year period. Licenses are usually renewable upon request for an additional three years, at ANM's discretion, and if justified by a partial exploration report. At the end of the second phase of exploration, a final exploration report must be submitted.

5.A.2.b Surface Rights

The surface rights for the Mining Concession and four other mineral rights concessions in the mining area have also been secured by agreement. These surface rights agreements are sufficient to cover the existing mining operations at Tucano.

5.A.2.c Location and Access

Tucano is located in Amapá State, Brazil, at latitude 0.85°N and longitude 52.90°W. The mine is approximately 200 km from Macapá, the state capital, and is accessible by the Brazilian federal highway BR-210 or by chartered aircraft. The access comprises:

- Sealed road for approximately 100 km, from the city of Macapá to Porto Grande.
- Unsealed road from Porto Grande to Pedra Branca do Amapari, approximately 75 km.
- Unsealed road from Pedra Branca do Amapari to the site, approximately 17 km.



5.A.2.d Royalties

Tucano is subject to both federal and state royalties and other royalty agreements in relation to mineral product sales. In summary these are:

- the Compensation for Exploitation of Mineral Resources ("CFEM");
- the Control, Monitoring and Supervision of Research Activities, Mining, Exploration and Exploitation of Mineral Resources Fee ("TFRM");
- the Social and Community Development Funds; and
- a Commodities Royalty.

The CFEM is a federal royalty and is calculated over the amount of gross revenue obtained in the sale of mineral products. In respect to gold sales, Great Panther is liable to pay a royalty of 1.5% on gross revenue from production at Tucano.

The TFRM is a royalty levied by Amapá State. The TFRM is currently calculated based on the grams of gold produced multiplied by the state index rate of Brazilian real BRL 3.2437 which is then multiplied by a factor of 0.25. In prior years, the factor has ranged from 0.4 in 2017 to 0.1 in 2018 and 2019, respectively.

The Social and Community Development funds have resulted from various agreements with Amapá State and the municipalities of Pedra Branca do Amapari and Serra do Navio, which are located near Tucano. Under the terms of the agreements, Great Panther will pay a maximum 1% royalty of the gross proceeds from gold sales from Tucano to support the socio-economic and community development of the municipalities of Pedra Branca do Amapari and Serra do Navio.

The Commodities Royalty is payable to the previous holders of 13 tenements acquired by Great Panther. These are tenements currently not being mined by Great Panther. The Commodities Royalty is levied at 0.75% of commodity sales revenue arising from those 13 tenements less transport and insurance expenses and royalties payable. Mr. Winer, Vice President Exploration of Great Panther is a former partner of Mineração Vale dos Reis and accordingly, if a Commodities Royalty becomes payable, Mr. Winer would be a recipient.

5.A.3 History

Anglo American Plc discovered a mineralized shear zone in 1994, undertook extensive exploration between 1995 and 2002, and through AngloGold, completed a feasibility study of the oxide Mineral Resources in October 2002.

In May 2003, Tucano was acquired by EBX Gold Ltd. ("EBX"). EBX carried out a feasibility study for the oxide mineral resources and a pre-feasibility study for mining the sulphide mineralization.

In January 2004, Tucano was acquired by Wheaton River Minerals Ltd. (which later merged with Goldcorp Inc. ("Goldcorp") in 2005). Mine construction began in July 2004, with the first gold poured in late 2005. Goldcorp sold Tucano to Peak Gold Limited ("Peak Gold") in April 2007. Peak Gold later merged with Metallica Resources Inc. and New Gold Inc. in June 2008.

The operation did not reach the predicted gold production due to issues related to the clayey nature of the saprolite mineralization. In response, metallurgical test work was conducted during 2007 to investigate the potential improvements of installing a wash-plant to remove fines and clays to improve heap percolation. Given that the results from the test work were inconclusive, and considering the relative amount of oxide resource available, the plans for an integrated wash-plant and oxide and sulphide milling circuit were put aside in favour of a milling and CIL circuit to treat predominantly sulphide and remnant oxide material.

Until the closure of Tucano in 2009, mining operations extracted 8.8 Mt of ore from four areas, TAP AB (pits 1, 2, and 3), TAP C, TAP D and Urucum. Total gold production from the heap leach operations was approximately 316,000 ounces of gold.

In 2010, Beadell, through Mina Tucano (then known as Beadell Brazil Ltda), a wholly owned subsidiary, acquired Tucano and commenced construction of a CIL plant to augment the existing process infrastructure. Mining and stockpiling of ore commenced in 2011 and the CIL plant was commissioned in

November 2012. Beadell upgraded the plant from 2018 to 2019 including a ball mill, pre-leach thickener, leach tank and oxygen plant.

Great Panther acquired Tucano in March 2019 and holds a 100% interest.

5.A.4 Geological Setting, Mineralization and Deposit Types

The South American Precambrian Shield comprises approximately 50% of the bedrock in Brazil and consists of major Proterozoic deformation zones surrounding cratonic nuclei of Archean age. The three principal cratons are the Guyana Craton in the north, the Amazon (or Guapore) craton immediately south of the Amazon River, and the São Francisco Craton situated between the Amazon Craton and the coast. The cratons are mostly a granite gneiss complex including some highly metamorphosed supracrustal belts, of which greenstone belts represent a small portion. Remoteness and lack of outcrops due to deep weathering prevent detailed stratigraphic and structural mapping across most of the greenstone belts. However, stratigraphic and structural elements typical for greenstone belts worldwide are well recognized in most South American examples.

The mineralization at Tucano occurs in a series of deposits over a 7 km strike length associated with a north-south trending shear zone occurring coincident with a north-south line of topographic ridges. From south to north, these deposits have been named TAP A, B, C, and Urucum. TAP D is a separate structure in the west. Higher grades are associated with the more intensely hydrothermally altered rocks.

Deep weathering is present in most of the deposits with high grade mineralization extending to the surface where it is covered by a layer of colluvium several metres thick. Gold mineralization can be found in the fresh rock at depth, in the saprolite zone created by in-situ weathering of the underlying rocks, and in colluvial deposits that overlie the saprolite mineralization as a blanket, spreading out over the hill slopes.

Sulphide zones follow shear plane foliation, often crosscutting the Banded Iron Formation ("BIF") and other host meta-sediments and as bedding parallel lenses dipping either east or west along the limbs of the folded BIF units associated with calc-silicate units and hosted by metamorphic schists or sandwiched between and cut by feldspar quartz porphyritic dykes and sills. Outside the shears and faulted zones, host rocks are poor in sulphide and gold. The accumulation of auriferous massive and/or disseminated sulphides in zones of fractures and folds, and forming plunging mineralized shoots, often crossing lithological contacts, suggests an epigenetic event.

The gold mineralization at the Urucum and TAP AB deposits is observed to be related to elevated abundances of pyrrhotite that occurs in both stratiform and cross-cutting relationships with the host rocks. The primary host rock has been a BIF, with other host rocks containing lesser quantities of gold.

Digital interpretations of the distribution of the gold mineralization for the Urucum and TAP AB deposits were prepared using Seequent Limited's Leapfrog software package by consultants specialized in wireframe modelling. The mineralization wireframes were created using a nominal cut-off grade of 0.3 g/t Au for oxide material and 0.4 g/t Au for fresh material, across a minimum width of 3 metres to align with the cut-off grade and minimum width criteria that are currently being employed by the mine staff for establishing the ore/waste dig packets at the Urucum and TAP AB deposits.

Gold zones occur as a series of semi-continuous vertical to moderately dipping ore horizons that individually have continuity over tens to hundreds of metres and collectively can exceed a thousand metres. There are repeated zones of such mineralization along a 7 km strike length.

5.A.5 Exploration

Great Panther recognizes the importance of the large, regional exploration tenement portfolio that it now controls. The portfolio covers a trend of approximately 90 km by 20 km covering an underexplored Proterozoic aged greenstone belt. The multiple gold deposits along the 7 km long Tucano sequence, demonstrate the gold potential within the Vila Nova Belt. Typically, Proterozoic or Archean greenstone belts with a significant proven deposit have a higher likelihood of additional deposits or mines. Most belts host a number of gold deposits, often of different size and styles of mineralization. When compared to other similar belts in the Guianas and West Africa, it is evident that the Vila Nova belt lacks the same level of exploration activity. While there is not always a direct correlation between exploration and discovery, recent exploration activities carried out by Great Panther over the last 12 months, has led Great Panther to believe that the belt requires quality, focused exploration.

Regional programs announced in February 2020 included a re-evaluation of the historical data. The main product developed was an interpretation of the structural framework within the greenstone belt and definition of four deformation events and their relative timing. The combination of this interpretation with structural knowledge both in the mine and surrounding areas led to the identification of the key deformation events most likely associated with gold mineralization. These key structural events were mapped using the aerogeophysical data to define zones that potentially had higher probability to focus hydrothermal fluids. Combining this with interpreted lithology types allowed definition of corridors and targets with higher prospectivity, which are the base for the development of a focused exploration strategy and work program. In 2021, the evaluation of the high potential exploration corridors defined within the regional tenement portfolio advanced beyond the budgeted expectation of 500-line-km with 711-line-km of cut sample lines opened. 13,481 soil samples were collected and sent to the certified ALS Laboratory in Belo Horizonte for low detection, 50 element ICP analyses. A further 2,000 samples are being prepared for dispatch, at Great Panther's preparation facility in Tucano.

In Q4 2021, to aid with the integration of the interpretations of the soil geochemistry with regional aerogeophysics surveys, (magnetics, radiometrics and electromagnetics) ground magnetics is being run along the soil lines. By the end of the year, the Saraminda, Mutum and Lona Amarela grids had been covered. The geophysical data is being processed and inversions of the magnetic data generated. Initial results at Mutum show a correlation between the main magnetic structures and geochemical anomalies. The interpretations are being integrated to define pressure relief structures associated with favourable lithologies and multi-element geochemistry associations indicating hydrothermal activity. The initial data compilation shows an important and continuous 12-km-long anomalous structural trend between Mutum and Joseph. Due to the large amount of data generated, over 750,000 individual elemental analyses and air and ground geophysical data, the use of Artificial Intelligence is being evaluated to prepare the data for interpretation and target prioritization.

5.A.6 Drilling

Along the 7-km-long Tucano Mine Sequence, 32,708 metres of drilling were carried out with 10,287 metres in Q4 2021. Exploration drilling focused on resource conversion and extension of the URN UG. The year started with three diamond drill rigs and in Q2 2021 increased to four producing a total of 11,783 metres. Currently there are 5 diamond drill rigs operating at URN UG and the current resource conversion program is expected to be completed in April 2022. Diamond drilling in Q4 2021 was also carried out to test the extension of the open pit zone at URN and TAP AB (Urso and Torres). Reverse circulation drilling focused on testing shallow occurrences and targets extensions at Torres, Urso, TAP C and URN producing 3,680 metres in Q4 2021 with one rig. The reverse circulation drill rig availability is

limited as it is used primarily for grade control in the mine. Small zones of mineralization at Torres and Urso are being modelled while mineralization at TAP C and URN have been modeled and included in the Mineral Resource model.

RAB drilling (Rotary Air Blast drill) is used to test shallow targets. It is fast, flexible and low cost, suitable for delineating mineralization above 20-metres depth. It was used on the Near Mine targets (Saraminda) and along the Mine Sequence (resource definition drilling) for testing colluvial zones or soil anomalies. The RAB drill requires a bulldozer to pull the compressor which for Near Mine exploration is a limitation in terms of environmental permitting. In 2021, 6,457 metres were drilled with 1,515 metres in Q4 2021.

In the regional programs, 4,533 metres of auger drilling, 2,476 metres in Q4 2021, were conducted at Saraminda during the year. This program was completed in mid-February 2022 and geochemistry results are awaited. Two discrete zones of surficial gold anomalism have been identified and the auger program is delineating a third central zone along the 2-km-long structural trend. This data will be interpreted and compiled with the geophysics and drill holes prioritized for testing. A clearing permit has been requested for opening, access and drill platforms.

In November, a DD was mobilized to the southern end of the 12-km Mutum-Joseph trend identified above, where access and permitting are in place. 472 metres were drilled in three drill holes. The drilling intercepted a mineralized structure showing alteration and sulfidation similar to that observed in Tucano. While gold only showed elevated background values, the results demonstrate the high potential of the structural trend, emphasizing that only a 300-metre portion of the prospective 12-km trend could be tested. Tucano is in discussions with the State and Environmental authorities to resolve the permit delays and is evaluating a definitive drilling solution to minimize environmental impact and provide greater flexibility.

In 2022 key objectives are: a) complete the current phase of the 11,000-metre resource conversion program at URN UG; b) define opportunities within the Mine Sequence for incremental increases in the 2022 production profile; and c) prioritize drill targets resulting from the regional exploration undertaken in 2021 with drilling in H2. Sampling Analysis and Data Verification

Great Panther abides by industry standards for the collection, analysis and quality assurance of the sampling processes, analysis procedures, and storage and use of the data. These are discussed in greater detail in the Tucano Technical Report. The company protocols ensure due care in the collection, logging, documentation and handling of samples whether from drilling or reconnaissance programs. (i.e., streams, soils, rock, auger and channel samples).

Sample preparation is carried out on site at Tucano where it has two, geographically separate, preparation facilities, one for mine grade control and the second exclusively for exploration samples, including those to be used in the long-term resource modelling. Sample preparation quality is monitored through the insertion of blank samples into the pulverization process while the laboratories are additionally monitored with the insertion of Reference Samples, duplicate field samples and duplicate lab preparation samples. Quality control samples represent approximately 10% of all samples analyzed.

All mineralized samples that may be included in the Mineral Resource estimates and all multi-element geochemistry analyses are carried out by Certified laboratories in Belo Horizonte, Brazil either SGS or ALS.

Great Panther uses the Acquire database management system to maintain and manage all mineral resource and exploration data. Prior to data being accepted for upload into Acquire it passes through

validation procedures. In the case of geochemistry data, all quality control samples must be within pre-defined industry standard quality assurance limits prior to being uploaded into the database. In the case of failures, samples are re-analyzed, firstly using pulps retained by the laboratory or if required, duplicate samples generated during the preparation process and routinely stored on site.

5.A.7 Mineral Resources

The Mineral Resources for Tucano include contributions from four deposits as well as material contained within various stockpiles present throughout the property. The Mineral Resources from these four deposits are composed of mineralized material that is envisioned to be extracted by both open pit and underground mining methods. Gold mineralization is contained within oxidized lithologies as well as their fresh, un-weathered equivalents.

Updated grade-block models were prepared for the open pit component of the Urucum deposit, as well as the open pit and the underground component of the TAP AB deposit using drill hole, sample information, and topography that was current as of September 30, 2019. The underground component of the Mineral Resource estimate for the URN deposit was prepared from a grade-block model that used the drill hole and sample information that was current as of November 2, 2015. Drilling completed since 2015 was reviewed and in the qualified person's opinion does not materially impact the Mineral Resource estimate.

MINERAL RESOURCE ESTIMATE AS OF SEPTEMBER 30, 2020

Category	Tonnage (000)	Grade (g/t Au)	Contained Metal (000 oz Au)
Measured			
Open Pit	2,309	1.46	108
Underground	-	-	-
Surface Stockpile	2,491	0.53	42
Total Measured	4,800	0.97	150
Indicated			
Open Pit	8,793	1.60	453
Underground	2,649	4.11	350
Surface Stockpile	-	-	-
Total Indicated	11,442	2.18	803
Measured & Indicated			
Open Pit	11,102	1.57	561
Underground	2,649	4.11	350
Surface Stockpile	2,491	0.53	42
Total Measured & Indicated	16,242	1.83	953
Inferred			
Open Pit	647	2.48	52
Underground	5,350	2.80	483
Surface Stockpile	-	0	-
Total Inferred	5,997	2.77	534

Notes:

1. Mineral Resources were classified using CIM Definition Standards.
2. Mineral Resources are inclusive of Mineral Reserves.
3. The effective date of the Mineral Resource estimate is September 30, 2020.
4. Mineral Resources are estimated at various cut-off grades depending on mining method and mineralization style.
5. For open pit development at Urucum, Urucum East and TAP AB, Mineral Resource estimates use a long-term gold price of US\$1,750/oz and a US\$/Brazilian real exchange rate of 1:4.5 with cutoff grades of 0.3 g/t Au for oxide and 0.4 g/t Au for fresh rock.
6. Underground Mineral Resource estimates for TAP AB use a long-term gold price of US\$1,750/oz and a US\$/Brazilian real exchange rate of 1:4.5, with cutoff grade of 1.3g/t Au for fresh rock.
7. Since September 30, 2019, no additional drilling data is available for the Urucum underground and Duckhead so Mineral Resource estimates for 2020 remain unchanged from 2019. Estimates use a long-term gold price of US\$1,500/oz and a US\$/Brazilian real exchange rate of 1:3.8 with cutoff grades of 0.4 g/t Au for oxide and 0.55 g/t Au for fresh rock in the open pit and 2.1 g/t Au for oxide and 1.6 g/t Au for fresh for the underground.
8. A minimum mining width of 3 m was used for preparation of mineralization wireframes.
9. Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability.
10. Inferred Mineral Resources have a great amount of uncertainty as to their existence and as to whether they can be mined legally or economically. It cannot be assumed that all or part of the Inferred Mineral Resources will ever be upgraded to a higher category.
11. Numbers may not add due to rounding.

5.A.8 Mineral Reserves

The Mineral Reserve estimate for Tucano conforms to the CIM Definition Standards as incorporated by reference into NI 43-101. To convert Mineral Resources to Mineral Reserves, the Qualified Person applied modifying factors of dilution and mineral extraction to only the Measured and Indicated categories of the Mineral Resource. Inferred Mineral Resources are not included in the Mineral

Reserves. Tucano consists of both open pit and underground Mineral Resources for which Mineral Reserves have been independently estimated.

The Mineral Reserve estimate for Tucano is presented in the table below. The open pit estimate is based on the newly developed 2019 resource block models. This Mineral Reserve estimate includes open pit mining in Urucum, TAP AB, Urucum East, and Duckhead and underground mining in the Urucum deposit.

MINERAL RESERVE ESTIMATE AS OF SEPTEMBER 30, 2020

Category	Tonnage (000 t)	Grade (g/t Au)	Contained Metal (000 oz Au)
Proven			
Open Pit	1,688	1.61	87
Underground	189	3.78	23
Surface Stockpiles	2,026	0.64	42
Probable			
Open Pit	3,880	1.70	212
Underground	1,976	4.17	265
Surface Stockpiles	-	-	-
Proven & Probable			
Open Pit	5,568	1.67	299
Underground	2,164	4.13	288
Surface Stockpiles	2,036	0.64	42
Total Proven & Probable	9,758	2.00	629

Notes:

1. Mineral Reserves were classified using the CIM Definition Standards.
2. Mineral Reserve estimation includes mine depletion through to September 30, 2020 and drills results through to July 31, 2020. The effective date of the Mineral Reserve estimate is September 30, 2020.
3. Open pit Mineral Reserves are estimated within designed pits above discard cut-off grades that vary from 0.43 g/t Au to 0.5, g/t Au for oxide ore and 0.58 g/t Au to 0.63 g/t Au for fresh ore. The cut-off grades are based on a gold price of US\$1,500/oz Au and operating costs sourced from the current operations and mining contracts at an US\$/Brazilian exchange rate of 1:4.5.
4. Mineral Reserves incorporate estimates of dilution and mineral losses.
5. Underground Mineral Reserves were estimated using an incremental cut-off grade of 2.4 g/t Au. The cut-off grades are based on a gold price of US\$1,250/oz Au and operating costs sourced from the operations and mining contracts at an US\$/Brazilian exchange rate of 1:3.8.
6. A minimum mining width of 20 m was used for open pit Mineral Reserves and 3 m was used for underground Mineral Reserves.
7. The Mineral Reserve estimate includes surface stockpiles.
8. Average metallurgical process recovery is 91.5%.
9. Numbers may not add due to rounding.

5.A.9 Mining Operations

5.A.9.a Open Pit Mining

The Mine is a mature open pit mining operation in a steady state of mining production. The operations are sufficiently established to provide the basis of much of the technical and economic inputs required for the Tucano Technical Report.

Individual pit shell selection was made based on a gold price of US\$1,750/oz Au for UCS, US\$1,500/oz for URN, TAP AB 1, Duckhead and Urucum East; and US\$1,600/oz for TAP AB 3. These pit shells selection was conducted using the July 31, 2020, surfaces. All pit shells are reported with the base price (US\$1,500/oz).

The mine planning block models used for the mine design are based on 3-dimensional ("3D") resource block models for the Tucano deposit and is based on the resource model regularized to the minimum practical size dig block (i.e., selective mining unit), that can be selectively excavated by mining equipment currently employed on site. Each block in the regularized model contains the quantities of diluted mineralized tonnes and grades including the tonnages of mining dilution and ore loss, where ore loss (%) = 100% - mining recovery (%).

Mining dilution comprises internal dilution inherited during the model regularization and external (contact) dilution resulting from geological/geometric contacts with waste rock.

Geotechnical and pit design parameters are based on data, information and results from previous geotechnical studies and incorporate the pre-split drilling and controlled blasting. There is a risk that the failure to attain the design pit slopes could result in pit wall instability and the loss of ore at the pit bottom.

Several geotechnical assessments have been conducted on Tucano. The pit slope design parameters used in Tucano are based on the geotechnical recommendations from third party consultants as more particularly described in the Tucano Technical Report.

Pit Slope Design Parameters – Tucano

Material	Bench Face Angle (°)	Bench Height (m)	Berm Width (m)	Inter-Ramp Angle (°)
Oxide	70	4	3	41.9
Fresh	75	24	10	55.6

All pits have been designed with 8-metre operating bench heights. To maximize ore selectivity and minimize dilution, it is expected that ore will be mined on 4-metre benches. The catch-berms in fresh rock are stacked at 24 metre intervals (Urucum) and 20 metre intervals (other pits).

A letter of intent was signed in December 2021 with a new open pit mining contractor to operate in parallel with the existing contractor. Mobilization of the new mining contractor has commenced and will continue until May 2022. The new contractor is a Brazilian company using a new mining fleet, which is expected to contribute to an improvement in overall mine performance.

5.A.9.b UCS Pit

On May 25, 2021, the Company reported that wall movement had been detected in the west wall of the south-central portion of the UCS open pit at Tucano. Heavy rainfall, well above the seasonal average, triggered higher phreatic levels in the west wall, impacting slope stability. The Company temporarily halted mining activities in the UCS open pit to ensure workers' health and safety. During the temporary stoppage of the UCS pit, the mill continued to receive ore from the URN open pit and stockpiles.

Mining in the UCS open pit resumed on July 14, 2021, after initial pushback activities were completed and measurements were showing a considerable reduction of movement. On October 18, 2021, the Company reported that Tucano's geotechnical committee had advised that additional remediation work be completed in the UCS open pit to improve stability as increased movement in the west wall had been detected. As safety and the wellbeing of workers is the Company's primary concern, mining of ore from UCS was temporarily suspended. The additional pushback necessary to fully restart mining in UCS is suspended to mid-2022 following the rainy season so that it can be completed in a safe and cost-effective manner. Most of the remaining gold production from the UCS pit is planned for 2023.

5.A.9.c LOM Production Schedule

A pit production schedule was generated with the objective of meeting a target ore processing rate of approximately 10,000 tpd at an average 93% annual plant availability. ROM quantities and plant feed estimates are based on Proven Mineral Reserves and Probable Mineral Reserves.

The ultimate pit designs plus stockpiles contain sufficient ROM quantities to support a 10,000 tpd processing rate through to mid-2023, but mining constraints reduce the rate of ore production so that the actual life of mine is to the end-2023. The open pit Mineral Reserves are included in six pits, with the three largest pits, UCS, Tap AB 1 and TAP AB 3, containing over 80% of the total open pit Mineral Reserves. Oxide ore contributes 57% of the total open pit ore mined. The LOM average strip ratio is 13.2:1. The waste rock dumps are located as close as practical to the open pits to minimize haul distances and haul truck cycle time for each pit phase, considering the pit waste disposal requirements, access road and facility layout and geotechnical parameters.

The plant feed comprises the ROM ore from the pit and from the stockpiles. The pit ROM production is projected to be a direct feed to the crusher, complemented with the ROM from the stockpiles re-handled on as needed basis.

The contract-operated mining is carried out using conventional open pit methods, consisting of the following activities:

- Drilling performed by conventional production drills.
- Blasting using emulsion explosives and a downhole delay initiation system.
- Loading and hauling operations performed with hydraulic shovel, front-end loader and rigid frame and articulated haulage trucks.

Open pit mining is currently being undertaken by two mine contractors, U&M and MINAX. The mining operations are based on the use of hydraulic excavators and a haul truck fleet engaged in conventional open pit mining techniques. Excavated material is loaded to trucks and hauled to either the ROM, ore stockpiles or the waste dump.

The Company's personnel monitor the mining contractor and provide engineering support including survey and grade control. The open pit is scheduled to operate 365 days per year, 24 hours per day and the U&M work schedule utilizes four crews working eight-hour shifts.

Equipment productivity and utilization factors and equipment operating hour estimates are based on seasonal conditions (dry, transitional, or wet season during the calendar year), rock type and various mining conditions including different bench mining width and ramp width.

The mine manpower at the end of December 2021 is 1,616 employees. This includes Tucano and the contractor's workforce. The ongoing pit operations will require this level of manpower for most of the next two years.

Tucano is expected to produce 85,000 to 100,000 ounces of gold in 2022. For more information, see the "Guidance and Outlook" section of the 2021 MD&A.

5.A.9.d Operating and Capital Costs

Operating costs from 2018 through 2021 are shown below:

	Mine	Mine	Plant	G&A	Total	
	\$/t mined	\$/t ore	\$/t ore	\$/t ore	\$/t ore	Exchange Rate*
2018	3.77	22.22	14.38	3.59	41.15	3.651
2019	3.27	24.09	18.77	3.64	47.29	3.944
2020	2.81	21.31	13.35	2.52	37.17	5,160
2021	2.75	21.32	13.86	2.56	37.74	5.3950

Note: Annual average BRL to USD exchange rates from the Central Bank of Brazil.

5.A.9.e Capital costs

Tucano is an operating open pit gold mine and historical open pit sustaining and non-sustaining capital costs are as follows:

(in thousands)	2021	2020	2019
Sustaining	\$ 32,516	\$ 36,857	\$ 19,538
Non-sustaining	6,771	3,056	2,229
Total	\$ 39,287	\$ 39,913	\$ 21,767

5.A.10 Underground Mining

The underground mine project is located below the URN open pit. Access would be via a portal located at the north end of the URN pit. The mine layout is based on the following criteria:

- twin declines accessing the north and south parts of the orebody;
- portal situated on the north side of the URN open pit;
- north and south exhaust ventilation raises;
- twenty-metre sublevel interval;
- stopes accessed by a footwall drive and crosscuts on every sublevel;
- decline development initiates in Year 1; and
- mine plan targets Measured, Indicated and Inferred Mineral Resources down to 500 mRL (750 meters below sea level).

Geotechnical data from an infill drill program below the URN pit indicates that the ground conditions at the URN UG are suitable for open stoping mining methods. Furthermore, stopes measuring 50 metres in length and 20 metres in height will be feasible. It will be possible to mine multiple stopes simultaneously in the same ore block. As the ore lodes are steeply dipping and relatively narrow, they are suitable for longitudinal longhole open stoping.

The base of weathering is relatively shallow. It occurs less than 50 metres over the orebody and less than 30 metres over the country-rock. Consequently, it will have minimal effect on the underground mine. Weathering will, however, be a factor for establishing the portal location and the upper sections of ventilation raises. Furthermore, weathering may be present along major faults and on the contacts of pegmatite dykes.

Up-hole retreat will be used in the upper levels of the northern part of the mine. This method permits ore production to commence early in the LOM schedule because mining proceeds in a top-down sequence. Moreover, it can achieve high rates of production as backfill is not required in the mining cycle. A disadvantage of the method, however, is that it requires leaving rib pillars for supporting the sidewalls, which results in an 86% ore recovery.

Conventional Avoca stoping will be used for mining the remainder of the orebody. It permits high ore recovery as it does not require leaving pillars along strike. A pastefill plant will not be needed as the method uses rockfill for backfilling. The Tucano site has an abundance of stockpiled waste from open pit mining available as a source of rockfill.

Sill pillars will be left between ore blocks to permit simultaneous production in multiple mining elevations. These pillars will be partially recovered (estimated at 65% recovery) towards the end of the mine life using Up-hole retreat. As additional information about the resource is acquired, it should be possible to reposition some of the sill pillars in low-grade zones.

The mine design uses a 20-metre sublevel interval. This sublevel interval enables accurate drilling of longholes, which will help minimize dilution. The ore drives will be 5 metres high; consequently, the typical height of an Up-hole Retreat stope or Avoca bench will be 15 metres. A minimum mining width of 2.0 metres has been assumed. With assumed skin dilution of 0.5 metres from each of the footwall and hanging wall, the actual minimum stope width will be 3.0 metres.

The design of the declines allows the mobile equipment to access each of the production levels. Footwall drives and crosscuts on the sublevels provide access to the stopes. The cross-sectional dimensions of the declines and crosscuts will be 5.0 metres high x 5.0 metres wide, which is adequate for accommodating Volvo AD35 articulated trucks. The ore drives will have a cross-section of 5.0 metres high x 4.0 metres wide, which is enough for 10-tonne-capacity LHDs as well as the proposed production drill. The trucks will not enter the ore drives.

The following assumptions, based on industry benchmarks, were used to determine the production and development rates and schedules:

- Decline and crosscut advance of 140 m/month.
- Ore drive advance of 60 m/month.
- Production rate from stoping of 10,000 t/month for both Up-Hole retreat and Conventional Avoca.
- Backfilling rate of 12,000 m³ per month per stope for Conventional Avoca.

The schedule is based on operating three development jumbos and two LHDs for both the north and south declines. The annual ore production tonnages vary depending on the number of production fronts that are available in any given year.

5.A.11 Mineral Processing

The existing Tucano gold processing plant was designed by Ausenco. After approximately four years of operation, an expansion was planned as part of the original feasibility study to install a 3 MW ball mill. This new secondary grinding mill, alongside the 7 MW single stage SAG mill, was installed in order to maintain 3.4 Mtpa throughput capacity treating 90% of the much harder sulphide ore type.

The plant flowsheet was modified in 2018 to deal with the harder sulphide ore type and the key features of these flowsheet changes are as follows:

- An additional 6 MW ball mill to increase original Ausenco design capacity to 3.6 Mtpa and potentially obtain a finer product size of 80% < 75 µm at a higher proportion of sulphide ore to increase cyanide leach gold recovery and kinetics. This was completed in September 2018.
- A pre-leach thickener to allow effective operation of the hydrocyclones which in turn provides higher leach feed pulp % solids. The change in philosophy from the originally proposed tailings thickener to a pre-leach thickener is explained further below. This was completed in September 2018.
- Additional leach residence time by adding one additional pre-leach tank to allow for the higher proposed plant capacity. This was completed November 2018.
- In November 2018, an oxygen plant was added to the CIL as proposed by Ausenco. An additional Liquid Oxygen plant was added in April 2019.

At a plant throughput of 450 tonnes per hour and a slurry density of 45% solids, a total volume of 17,200 m³ is required to provide a leach residence time of 24 hours. The previous CIL provides 15,400 m³; therefore, one additional leach tank, 15 metres x 15 metres was required. The new tank was located ahead of the existing CIL tanks and used for pre-leaching. This allows a major proportion of gold to go into solution before the resultant pregnant solution comes into contact with the carbon, this speeds up adsorption kinetics.

5.A.12 Infrastructure, Permitting and Compliance Activities

Tucano is currently operating and has all of the required infrastructure to carry on operations in the normal course. Additional surface infrastructure will be required to support underground operation.

Tucano has built a new East Tailings Dam at elevation 137m, which has a total capacity of 5.7M m³ or 2 years storage capacity (i.e., January 2023). The East Dam will increase its capacity by a subsequent lift to El. 145m that provides an additional 3.8M m³ storage capacity or 1.2 years (i.e., April 2024). After the East Dam El. 145m achieves designed capacity, Tucano plans to extend the tailings storage capacity by commissioning two new dams, East-NW Extension, and West Pond Phase 2 (WPP2), which together will provide tailings storage until 2026-2027, subject to receipt of applicable permits.

Tucano is in possession of all licenses required for the operation of the mine, mill, processing plant and constructed TSFs (including the East Dam to RL 137m) in compliance with Brazilian regulations.

Continuous monitoring programs are carried out at Tucano, which confirm that there are no material concerns pertaining to non-compliance.

5.B. GMC

The scientific and technical information on the GMC in this Section 5.B of the AIF is based on the GMC Technical Report described in Section 1.E of the AIF. The conclusions, projections and estimates as well as certain other information included in this Section of the AIF are presented in summary form and subject to the qualifications, assumptions and exclusions set out in the GMC Technical Report. Readers are recommended to read the GMC Technical Report in its entirety to fully understand the project. The GMC Technical Report is available on SEDAR (sedar.com) or on EDGAR (sec.gov).

The GMC properties are situated north of the city of Guanajuato, Guanajuato State, Mexico, approximately 380 km northwest of Mexico City. The GMC claims total 10,355.39ha. The Guanajuato Mine is accessible via city streets in the city of Guanajuato, in Guanajuato State, Mexico. Guanajuato has a population of approximately 184,000 and is located within 50 km, by road, of an international airport

at León, Mexico. The mine is easily accessible from major population centres in central Mexico via a system of modern roads. The San Ignacio mine is located approximately 8 km northwest of the city of Guanajuato. Access to the property is provided via a 35-minute drive from the outskirts of the city of Guanajuato (approximately 22 km), mostly by paved road through the towns of Santa Ana and Cristo del Rey.

On October 25, 2005, the Company signed a formal purchase agreement with the Sociedad Cooperativa Minero Metalúrgica Santa Fe de Guanajuato (the "Cooperative") to purchase 100% of the ownership rights in a group of producing and non-producing silver-gold mines in the Guanajuato Mining District. The total purchase price was \$7.3 million, which included 1,107 hectares in two main properties (the Guanajuato and San Ignacio claims), the Cata processing plant (which has a nameplate capacity of 1,200 tpd), workshops and administration facilities, complete mining infrastructure, mining equipment and certain surface rights. The final payment under this purchase agreement was made in November 2006.

In May 2006, the Company purchased 3.88 hectares of real estate adjacent to the plant at the GMC for a total of \$0.7 million from the Cooperative. The decision to buy the extra land was made in order to facilitate any future expansion of the processing plant facilities and to buffer the processing plant site from any possible development nearby.

In December 2007, the Company purchased an additional 0.28 hectares of land immediately adjacent to the plant and below the tailings dam at the GMC from the Cooperative for a total of \$0.3 million. The land was primarily purchased to buffer the area from any possible development.

In August 2012, the Company signed a definitive agreement for the purchase of a 100% interest in certain surface rights to a total of 19.4 hectares at San Ignacio, for the construction of a mine portal and ancillary surface facilities.

5.B.1 Guanajuato Mine

Guanajuato is an underground silver-gold mine situated along the north-eastern side of Guanajuato. The mine consists of a number of mineralization zones along an approximately 4.2 km strike length, which is mined from two operating shafts and two ramps. The location of Guanajuato falls within the second largest (historically) producing silver district in Mexico and the deposits on the Veta Madre trend, the principal host structure, have been mined since the 16th century.

Claim boundaries have been legally surveyed. The 19 mineral claims comprise 680 hectares in a contiguous claim block and expire between 2024 and 2057. The TSF and waste rock dump are contained within the property boundaries in areas where the Company holds surface rights at Guanajuato. There are no known environmental liabilities associated with the mineral claims, other than the provision recognized in the Company's Annual Financial Statement for the estimated present value of future reclamation and remediation. This value comprises the provision associated with the Cata plant, TSF area and related infrastructure of the GMC, as well as the provision for Guanajuato.

5.B.2 San Ignacio Mine

San Ignacio lies within La Luz mining camp of the Guanajuato Mining District, located in the southern part of the Mesa Central physiographic province. The Mesa Central is an elevated plateau located in central Mexico. The mineralization on the property consists of epithermal silver-gold veins. The Company has negotiated surface rights sufficient for mining operations.

Surface rights owned by the Company are limited to blocks of ground around the old San Ignacio shaft and an additional block over the present underground development (new roads, mine rock dumps, and surface infrastructure). The nine mineral claims comprise 398 hectares and expire between 2031 and 2041. The Company has acquired surface rights sufficient for mining operations. There are no known environmental liabilities associated with the mineral claims, other than the provision recognized in the Annual Financial Statements for the estimated present value of future reclamation and remediation associated with the future retirement of San Ignacio.

5.B.3 History

Exploration in the Guanajuato area dates back to 1548 when silver mineralization was first discovered in the La Luz area by Spanish colonists. Two years later an outcrop of the Veta Madre was found near the current site of the Rayas Mine. Mining took place on a relatively small scale until the early 1700s when the application of explosives for tunneling resulted in a significant increase in production capacity. In the latter portion of the 18th century, Antonio Obregón y Alcocer financed the discovery and development of the Valenciana Mine. This mine became one of the premier silver mines in the world, at the time accounting for a third of global annual silver production. The Spanish controlled mining in the district until 1816 when mining ceased and all production facilities were destroyed during the Mexican War of Independence. The Valenciana Mine was reopened in 1868 with British capital. The British interests operated the mines for ten years but did not result in much success, losing a considerable amount of money. Operations at that time were hampered by a lack of rail facilities and the necessity of hauling heavy equipment from the coast by mule. Mining production declined during the early 1900s due to low prices. At that time, American interests acquired and reopened many of the mines. Old ore dumps and tailings were reprocessed to extract gold and silver; however, the onset of the Civil War in 1910 severely curtailed mining activity in the country, resulting in a decades-long slump in production.

By the mid-1930s, demands for higher pay and better working conditions resulted in the mines being turned over to the newly formed Cooperative in 1939. The Cooperative operated several mines in the district throughout the latter half of the 20th century and into the early 2000s.

The Company acquired the GMC from the Cooperative in 2005. At the time of the purchase, the GMC suffered from lack of investment and working capital and had not run at full capacity since 1991. The Company resumed production in 2006.

5.B.4 Geological Setting and Mineralization

The GMC is in the Guanajuato Mining District, which is in the southern part of the Mesa Central physiographic province. The Mesa Central is an elevated plateau of Cenozoic volcanic and volcanoclastic rocks located in central Mexico. It is bounded to the north and east by the Sierra Madre Oriental, to the west by the Sierra Madre Occidental, and to the south by the Trans-Mexican Volcanic Belt.

Rocks within the Mesa Central consist of a Paleocene to Pliocene sequence of dacite-rhyolite, andesite, and basalt, with related intrusive bodies and intercalated local basin fill deposits of coarse sandstones and conglomerates. This Cenozoic volcanic-sedimentary sequence overlies a package of deformed and weakly metamorphosed Mesozoic submarine mafic volcanic and turbidite rocks.

Within the Mesa Central, the GMC is situated within the Sierra de Guanajuato, a northwest-trending anticlinal structure approximately 100 km long and 20 km wide. The strata within the belt are transected by northwest, north, east-to-west, and northeast-trending regional scale faults. It is predominantly the northwest-trending structures that control the position of mineralization. Normal fault movement along

northeast-trending faults resulted in the downward displacement of certain blocks and the preservation of strata that was eroded in other areas. The northwest faults and structural intersections along these faults are therefore important locators of mineral camps within the belt.

Cretaceous volcanic rocks of La Luz Basalt underlie San Ignacio. These rocks are part of a volcanic-sedimentary complex that has various tectonic interpretations, but in general preserves a tectonic history probably related to northeastward tectonic thrust emplacement. By contrast, much of the area to the south-east (e.g., in and around Guanajuato) is underlain by a series of Tertiary volcanic rocks that lie unconformably on La Luz Basalt. The lower Guanajuato conglomerate is widespread and is of mid-Eocene to early Oligocene. Later, volcanic rocks were deposited unconformably on the Guanajuato conglomerate in a caldera setting at the intersection of regional northeast and northwest trending mid-Oligocene extensional fracture systems.

Three main northwest-trending precious metal-bearing vein systems occur in the district: the Sierra, Veta Madre, and La Luz systems.

5.B.4.a Guanajuato Mine

The "Veta Madre" quartz-adularia vein / breccia system is closely associated with the Veta Madre fault and an associated diorite dyke (thickness varying from discontinuous lenses at Guanajuatito to a 50-100m thick body in the Cata, Los Pozos, and Santa Margarita areas), oriented 325-degrees with a 45-degree southwest dip. The Veta Madre forms along the dyke contacts, and in the footwall Esperanza Formation. A series of mineralizing events is thought to have taken place during the Oligocene, a period of intense felsic volcanic activity in the area, and comprised three stages termed pre-ore, ore, and post-ore. Pre-ore mineralization consists of trace silver and gold with accessory quartz and adularia. Mineralized material comprises an early silver-rich phase associated with adularia, as well as a later low-silver variant, which is typified by calcite and quartz. The post-ore mineralization is also precious metal-poor, with accessory calcite, dolomite, and fluorite.

The primary mineralization of economic importance is silver and gold, with silver the more important of the two. Base metals do not normally occur in economic concentrations. Average silver grades of the ore are typically in the 100 g/t Ag to 500 g/t Ag range but locally can be over 1,000 g/t Ag. Gold grades are generally in the 0.5 g/t Au to 2 g/t Au range, except for the Santa Margarita vein where average grades are in the range of 5 g/t Au to 7 g/t Au. Within the mine, drill core and channel samples are not normally analysed for base metals so average grades for Cu, Pb or Zn have not been obtained.

At the Guanajuatito zone the main mineralization occurs in the deformed siltstone and shale of the Esperanza Formation contiguous with the Veta Madre Fault. Six zones were modeled at Guanajuatito, with the Veta Madre and the closely associated footwall FW zone being dominant below the 80 level. At the Cata zone, Veta Madre mineralization occurs along the base of the diorite dyke with the Esperanza Formation, and as seven separately modelled zones within the diorite. A number of these zones are shallow dipping structural splays. The Los Pozos area zones, between Cata and Rayas shafts, are comprised of five vein stockwork to breccia systems (Veta Madre) at the base of the diorite dyke and into the Esperanza Formation, as well as on the upper diorite dyke contact with the Guanajuato Formation conglomerates. The Santa Margarita zones form a complex structural set of three bodies within the diorite dyke and at its upper contact with the Guanajuato Formation conglomerates or basal andesite. These are above the Veta Madre breccia which is at the diorite contact with the footwall Esperanza Formation. The San Cayetano zone occurs deep in the Veta Madre south of the Rayas shaft, and tends to be narrow and often in the upper portion of the Veta Madre. The Promontorio area zones

occurs in the hanging-wall Guanajuato Formation conglomerates immediately above the Veta Madre structure at the contact of the Guanajuato Formation and the diorite dyke. At Valenciana there are parallel mineralized structures (Veta Madre) at the Esperanza Formation – diorite contact and into the Esperanza Formation.

The best mineralization is often found related to bends in the Veta Madre orientation such as at San Vicente in the Rayas area, and at Cata and Santa Margarita. These structural bends may be due to changes in rock type competencies, and varying thickness of the diorite dyke.

The vertical extent of the deposits at Guanajuato spans over 700 m (2,200 m to 1,500 m elevations and open to depth). Mineralization occurring above 2,100 m elevation was termed “upper ore”, between 2,100 m and 1,700 m “lower ore”, and below the 1,700 m elevation “deep ore”. Fluid inclusion microscope work from over 850 samples gathered through the mine and in deep drilling from the Santa Margarita area, indicated boiling zones from the 2,100 m to 1500 m (deepest drilling at the GMC) elevations. Structural observations of up to eight stages of crosscutting brecciation, and the variable range of Ag:Au ratios indicate that the mineralization along the Veta Madre is associated with multi-phase structural activity and fluid flow.

5.B.4.b San Ignacio Mine

San Ignacio is underlain by a package of basalt and andesite volcanic rocks belonging to the lower Cretaceous La Luz andesite. The basalt generally has subtle to well-developed pillow structures that are locally flattened. In a few localities, inter-pillow hyaloclastite is present and is characterized by a fine breccia composed of devitrified glass shards in a fine groundmass. Primary layering and way up indicators are generally difficult to determine from the small outcrops typical of the property, but the San Ignacio stratigraphy is not overturned.

San Ignacio contains structures of the La Luz vein system comprising numerous mineralized fractures in a northwesterly-trending orientation and extending for a known strike length of approximately eight km. Historically productive veins on the property include the Veta Melladito and Veta Plateros. Veins identified in the recent Great Panther drilling are the Melladito, Melladito BO, Intermediate, Intermediate 2, Nombre de Dios, Nombre de Dios 1.5, Nombre de Dios 2, Nombre de Dios 2S, Nombre de Dios 3, Melladito South, 700, Purisima, Purisima HW, Purisima Int., Purisima Bo, and Santo Nino. Mineralization is contained within tabular veins, vein stockwork, and breccias. The 16 veins with structural continuity inferred from surface mapping and diamond drilling from surface, and now with extensive underground development, have been defined up to 2,200 m along strike and 150 m down dip. Six of the veins are very steeply dipping and ten are shallowly dipping and are likely off-shoots of the other veins. The veins are accompanied by hydrothermal alteration, consisting of argillic, phyllic, silicic, and propylitic facies.

The primary economic components are silver and gold with approximately equal contributions of each. Economic mineralization consists of fine-grained disseminations of acanthite and pyrargyrite (silver minerals), electrum (gold-silver mineral), with accessory pyrite, and very minor sphalerite and chalcopyrite. Mineral textures in this zone are typically fracture filling, drusy, and colloform masses.

Average silver grades of the eight veins range from 58 g/t to 237 g/t Ag, while average gold grades range from 1.65 g/t to 3.84 g/t Au.

5.B.5 Deposit Types

The mineral deposits in the Guanajuato area are classic fissure-hosted low-sulphidation epithermal gold-silver-bearing quartz veins and stockwork. Mineralization consists of fine-grained disseminations of acanthite, electrum, agularite, and naumannite with accessory pyrite, and relatively minor sphalerite, galena, and chalcopyrite. Gangue minerals include quartz, calcite, adularia, and sericite. The veins are accompanied by hydrothermal alteration consisting of argillic, phyllic, silicic, and propylitic facies. Mineral textures in this zone are typically fracture-filling, drusy, and coliform masses.

Epithermal systems form near surface, usually in association with hot springs, and at depths of several hundred metres below the paleosurface. Hydrothermal processes are driven by remnant heat from volcanic activity, which in the case of Guanajuato occurred in the middle to late Tertiary. Circulating thermal waters, rising through fissures, eventually reach the “boiling level” where the hydrostatic pressure is low enough to allow boiling to occur. This can impart a limit to the vertical extent of the mineralization as the boiling and deposition of minerals is confined to a relatively narrow band of thermal and hydrostatic conditions. In many cases, however, repeated healing and reopening of host structures can occur, which causes cyclical vertical movement of the boiling zone, resulting in mineralization that spans a much broader range of elevations. This appears to have occurred at the Guanajuato Mine.

Epithermal type precious metal deposits in the La Luz vein system and specifically in San Ignacio are strongly vertically controlled and pinch to cm scale at surface, associated with weak shear zones, minor argillic alteration, and weakly anomalous precious metal values. The mineralized vertical interval typically is 100 m to 150 m; however, it can range from 50 m to well beyond 250 m.

5.B.6 Exploration

5.B.6.a Guanajuato Mine

Exploration work conducted by Great Panther has consisted almost exclusively of diamond drilling, primarily from underground. In 2016, a program was initiated to re-evaluate the “Old Stopes” throughout Guanajuato looking for unmined mineralized segments of the Veta Madre or hanging and foot-wall structures. This work started in the upper part of the Rayas area and is progressing at depth and to the northwest. It continued through 2017 and into 2018 on an ad-hoc basis. In late 2018 with the temporary closure of Guanajuato imminent, the program was re-initiated using geological staff from Guanajuato being seconded into the Exploration group. A program of geological mapping and sampling was carried out on all accessible levels from November 2018 to November 2021 when the mine was put on care and maintenance.

Underground exploration sampling since the last TR (effective date July 31, 2020) until July 31, 2021, totals 19,788 samples. Overall, to the end of 2021, 189,867 samples have been collected underground, by exploration and operations geologists, at Guanajuato by the Company. The sampling was done as part of a comprehensive review of historical data and re-mapping and re-sampling of accessible historical areas to develop zones of interest for targeting by core drilling.

Three underground drill rigs were contracted in May 2019 to begin an aggressive drilling program based on historical and recently acquired data. The drilling program is focused on the upper levels of the mine in the Promontorio, Los Pozos, Santa Margarita, and Valenciana areas. Drilling in 2021 has been focused in the Promontorio, Los Pozos, Santa Margarita, Guanajuatito, and Valenciana areas. The drilling program was suspended in November 2021.

5.B.6.b San Ignacio Mine

Great Panther has conducted geological and structural mapping, including sampling of outcrops and from exposures in historical underground workings; and underground development including geological mapping, sampling, and mining.

Great Panther completed detailed surface mapping and outcrop rock chip sampling, including mapping and sampling of all accessible underground workings pre-2014. Further detailed geological and structural mapping was completed in 2015 and is ongoing which includes 717 surface and various short adit chip and channel samples. As of the effective date of the last TR, 76,299 chip and channel underground samples have been collected, of which 8,900 were collected after the previous TR effective date.

Dr. Darcy Baker of Equity Exploration Consultants completed structural mapping and logging of one diamond core hole in February 2011. David Rhys (2013) spent one day reviewing the structural geology and collecting petrographic samples from drill core. Petrographic and Scanning Electron Microscope work was completed by Katherina Ross (2013) on core samples of Melladito and Intermediate veins.

The exploration work has confirmed that the top of the mineralized epithermal system is below surface, estimated at approximately 2,350 masl in the northern portion of the project and 2,250 masl in the southern part of the project. This vertical limit was indicated on longitudinal sections from the historical operations of the Cooperative on veins on the San Ignacio property, and from longitudinal sections of deposits on an adjacent property owned by Endeavour Silver. The strong vertical control on mineralization is characteristic of the area and the mineralized intervals are typically 100m to 150m in vertical range; however, in cases, it can range from 50m to greater than 250m.

Detailed geological mapping, structural geological studies, outcrop sampling, drift development and re-sampling of old underground workings are ongoing to highlight additional priority targets along the 4km of prospective structures. The underground development along both Intermediate and Melladito veins confirms the geological and grade continuity of the veins.

During 2018 and 2019 exploration efforts were focused on both surface and underground drilling at San Ignacio. Mining focus was on the northern extent of the project along the Nombre de Dios veins, and an exploration / development ramp is being driven south into the old San Pedro mine area, where the Purisima vein system merges with the Melladito vein system. In 2019 surface exploration efforts have been focused on both the Nombre de Dios vein extension north, and on the Melladito and Purisima veins orientation in the old San Pedro mine area. In 2020 surface drilling has exclusively focused on the old San Pedro mine to old San Ignacio shaft area, along the Purisima vein trend, while in 2021 the focus has been drilling along the Purisima vein between the Santo Nino and old San Ignacio shafts. The Santo Nino vein is 20m into the footwall of the Purisima vein.

5.B.7 Drilling

Diamond drilling at the GMC is conducted under two general modes of operation: one by the exploration staff (exploration drilling) and the other by the mine staff (production and exploration drilling). Production drilling is predominantly concerned with definition and extension of the known zones, to confirm and upgrade the resources and to guide development and mining and is generally done to provide access for sampling and localized knowledge of the vein position, which regularly pinches and swells.

Exploration drilling is conducted further from the active mining area with the goal of expanding the mineral resource base. Drilling results from both programs are used in the estimation of Mineral Resources. Since Guanajuato went into care and maintenance status at the end of 2018, all post-2018 drilling has been conducted by the exploration staff. Mining re-commenced at Guanajuato in mid-2019 at a reduced rate. Three underground drill rigs were contracted in May 2019 to begin an aggressive drilling program based on historical and recently acquired data. The drilling program was focused on the upper levels of the mine in the Promontorio, Los Pozos, Santa Margarita, and Valenciana areas. Drilling has continued with the inclusion of drilling on Guanajuatito as well as on deeper levels on the above ore zones. All exploration drilling both at Guanajuato and San Ignacio was suspended in November 2021.

5.B.7.a Guanajuato Mine

Since the start of care and maintenance, exploration staff have made a concerted effort compiling historical data, geological mapping, sampling and drilling to find extensions of various orebodies and new targets for exploration. Drilling in 2021 was focused in the Promontorio, Los Pozos, Santa Margarita, Guanajuatito and Valenciana areas. Exploration drilling is carried out with the use of three underground contract drills. The three contract drills are focused on upgrading mineral resource definition and in drilling new targets. Upgrading of resources is being carried out at the Los Pozos, Valenciana and Promontorio zones.

Overall, the core recovery of mineralized zones was excellent averaging 93%. There are no other significant drilling or sampling factors that are expected to materially influence the accuracy and reliability of the results.

Great Panther had a 14,400-meter drill budget for Guanajuato in 2020. By July 31, 2021, a total of 6,542.9 meters of drilling were completed in 71 holes. The author is in full agreement with the focus and functionality of the Guanajuato exploration program.

Up to mid-2016 all sample and geological data was entered into a DataShed© database via the LogChief software. The GMC geological staff now use an in-house software that loads data directly into Microsoft SQL. The contents of the SQL databases are copied daily to a master SQL database in the Great Panther head office in Vancouver with a backup made every evening.

Assay data files are sent directly from the Cata laboratory into a specific site on the Cata server. Database management personnel take the assays from this site and merge them with the sampling information in the SQL database. The Cata laboratory was managed by SGS until December 31, 2018, and presently by in-house personnel.

5.B.7.b San Ignacio Mine

Great Panther has completed 565 diamond drill holes at San Ignacio. Drilling commenced in October 2010 and the last hole into the database was completed on July 31, 2021. From the total, 353 holes were drilled from surface and 212 from underground.

Drill holes were usually oriented to intersect the veins at a high angle. A total of 74 additional drill holes totalling 14,455.5 metres have been completed at San Ignacio since the previous Mineral Resource Estimate (Brown and Nourpour 2020a).

The drilling and development programs since 2019 provided the geological information to support a re-interpretation of the mineralized zones. This included the delineation of nine veins in the northern portion of the property between grid line 100N and 1150N where 326 of the 565 holes were completed,

and nine veins in the southern part of the property (San Pedro area) between 100N and 1100S where 239 holes were completed. The nine northern veins demonstrating structural continuity were identified from diamond drill hole intersections, underground mapping, and sampling, and to some extent surface mapping. These veins have demonstrated a strike length of up to 1,000 meters and a dip length of up to 350 meters. Seven of the veins are very steeply dipping and four are shallowly dipping and are likely off shoots of the other veins. Between 100N and 1150N, five drill holes intersected voids which were interpreted to represent historical workings limited in extent. Historical maps from the Melladito vein system from ~400N to 100N have been accurate in indicating areas of historical exploitation. These historical maps show exploitation further south on Melladito and Purisima vein systems. South of 100N 67 of 206 holes drill holes intersected voids which were interpreted to represent the old San Pedro shaft historical workings. The drill hole void locations match well with historical workings known from longitudinal sections. These areas of historical workings were excluded from the resource models.

Drilling in the San Pedro shaft area since 2016, and into 2021, and the driving of the San Pedro ramp (presently at ~800S) has defined several zones including the Melladito South, 700, 711, 740, Purisima, Purisima HW, and Purisima BO (footwall splay). Detailed drilling from the San Pedro ramp has defined areas left un-mined by previous operators (below lowest levels, and in lower grade areas). Drilling north of the old San Ignacio shaft from 100N to 400N is better defining the Santo Nino vein. The Santo Nino zone is 20m into the footwall of the Purisima vein.

Overall, the core recovery of mineralized zones was excellent averaging 89%. There are no other significant drilling or sampling factors that are expected to materially influence the accuracy and reliability of the results.

Procedures related to sample and geological data integrity are consistent with those described for the Guanajuato Mine.

5.B.8 Sample Preparation, Analyses and Security

5.B.8.a Guanajuato Mine

The drill core samples were prepared by technicians working under the direction of the mine and exploration geologists. The exploration diamond drill core is of HQ and NQ diameter while the production holes drilled prior to July 2011 generally have an AQ diameter. During July 2011, a BQ diameter rig (Diamec) was added to the production drilling capacity. Until the end of 2018, most of the analytical work was carried out at an on-site laboratory managed for Great Panther by SGS which is located within the confines of the Cata facility. The laboratory is equipped to perform Aqua Regia digest, fire assay, gravimetric and AAS. The laboratory reverted to Company management at the beginning of 2019, and therefore lost its accreditation that was gained under SGS. The Company has adopted appropriate quality assurance and quality control procedures to compensate. These include sending samples to SGS for assay.

Both the Geology Department core shed and the Cata laboratory are located within the Cata facility which is fenced and guarded around the clock. The site security is consistent with common practical industry standards.

5.B.8.b San Ignacio Mine

All sampling and analytical work was conducted by employees, contractors, or designates of Great Panther.

Sample preparation prior to dispatch to the analytical laboratories consisted of splitting the sample in half by cutting the core using a rock saw. Quality control measures included the insertion of quarter-core duplicates, standard reference materials, and blanks into the sample stream.

Chain of custody was established upon sample collection with the use of unique sample ID, documentation of samples per shipment to the lab, and sign-off forms for receipt of samples by the laboratory.

Prior to dispatch, the samples were stored within the core storage and logging facility located at the Company's Cata processing plant site.

Until the end of 2018, most of the analytical work was carried out at a laboratory managed for Great Panther by SGS which is located within the confines of the Cata facility. The laboratory is equipped to perform Aqua Regia digest, fire assay, gravimetric and AAS. The laboratory reverted to Company management at the beginning of 2019, and therefore lost its accreditation that was gained under the SGS. The Company has adopted appropriate quality assurance and quality control procedures to compensate. These include sending umpire samples to SGS for assay.

5.B.9 Mineral Resource Estimates

5.B.9.a Guanajuato Mine

The GMC Mineral Resource estimate has an effective date of July 31, 2021 and updates the previous resource estimate to reflect depletion due to mining and resource definition resulting from successful exploration activities.

MINERAL RESOURCE ESTIMATE AS OF JULY 31, 2021 - GUANAJUATO

Classification	Tonnes	Grade Ag (g/t)	Contained Ag (oz)	Grade Au (g/t)	Contained Au (oz)	Grade Ag eq (g/t)	Contained Ag eq (oz)	Grade Au eq (g/t)	Contained Au eq (oz)
Measured	166,262	255	1,362,426	1.81	9,681	409	2,185,272	4.81	25,709
Indicated	85,404	240	658,767	1.68	4,600	382	1,049,757	4.50	12,350
Total M&I	251,666	250	2,021,193	1.76	14,281	400	3,235,029	4.70	38,059
Inferred	220,760	225	1,597,357	1.95	13,873	391	2,776,596	4.60	32,666

Notes:

1. Cut-offs are based on the marginal operating costs per mining area being US\$135.70/tonne for Cata, US\$135.70/tonne for Santa Margarita, US\$96.50/tonne for Los Pozos, US\$124.90/tonne for Guanajuatito, US\$148.50/tonne for Promontorio, and US\$113.10/tonne for Valenciana.
2. Block model grades converted to US\$ value using plant recoveries of 87.15% Ag, 86.70% Au, and net smelter terms negotiated for concentrates.
3. Rock Density for Cata is 2.66t/m³, 2.65t/m³ Santa Margarita, Los Pozos 2.68t/m³, Guanajuato 2.69t/m³, Promontorio and Valenciana 2.67t/m³.
4. Totals may not agree due to rounding.
5. Grades in metric units.
6. Contained silver and gold in troy ounces.
7. Minimum true width 0.5m.
8. Metal Prices US\$20.00/oz silver, and US\$1,650.00/oz gold.
9. Effective date of July 31, 2021.
10. Ag eq oz were calculated using 85:1 Ag:Au ratio.
11. Inferred Mineral Resources have a great amount of uncertainty as to their existence and as to whether they can be mined legally or economically. It cannot be assumed that all or part of the Inferred Mineral Resources will ever be upgraded to a higher category.
12. Mineral Resources that are not Mineral Reserves have no demonstrated economic viability.

5.B.9.b San Ignacio Mine

The San Ignacio Mine Mineral Resource Estimate has an effective date of July 31, 2021 and updates the previous resource estimate to reflect depletion due to mining and resource definition resulting from successful exploration activities.

Updated drilling and interpretation of zones in 2020 has resulted in the addition of Purisima HW, Purisima Int., 700, and Santo Nino zones.

MINERAL RESOURCE ESTIMATE AS OF JULY 31, 2021 – SAN IGNACIO

Classification	Tonnes	Grade Ag (g/t)	Contained Ag (oz)	Grade Au (g/t)	Contained Au (oz)	Grade Ag eq (g/t)	Contained Ag eq (oz)	Grade Au eq (g/t)	Contained Au eq (oz)
Measured	202,682	148	967,124	2.80	18,267	387	2,523,073	4.56	29,683
Indicated	65,146	134	281,611	2.79	5,839	372	779,653	4.38	9,172
Total M&I	267,828	145	1,248,735	2.80	24,106	384	3,302,726	4.51	38,855
Inferred	445,217	178	2,551,719	2.65	38,002	404	5,781,944	4.75	68,023

Notes:

1. Cut-offs are based on the marginal operating costs per mining area being US\$127.40/tonne for San Ignacio.
2. Block model grades converted to US\$ value using plant recoveries of 87.15% Ag, 86.70% Au, and net smelter terms negotiated for concentrates.
3. Rock Density for San Ignacio is 2.64t/m³.
4. Totals may not agree due to rounding.
5. Grades in metric units.
6. Contained silver and gold in troy ounces.
7. Minimum true width 0.5m.
8. Metal Prices US\$20.00/oz silver, and US\$1,650.00/oz gold.
9. Effective date of July 31, 2021.
10. Ag eq oz were calculated using 85:1 Ag:Au ratio.
11. Inferred Mineral Resources have a great amount of uncertainty as to their existence and as to whether they can be mined legally or economically. It cannot be assumed that all or part of the Inferred Mineral Resources will ever be upgraded to a higher category.
12. Mineral Resources that are not Mineral Reserves have no demonstrated economic viability.

The Mineral Resource estimates for Guanajuato and San Ignacio were completed using MicroMine 3D geological software, and the inverse distance cubed estimation technique was utilized in the estimation of grade to each of the blocks in the block models. An NSR calculator was used to convert block grades into NSR (USD/tonne) values (considering mill recoveries, smelter terms, and designated metal prices). Only blocks with NSR values over the designated full operational cost cut-off were used in the Mineral Resource estimates.

5.B.9.c Consolidated Mineral Resource Estimate for the GMC

CONSOLIDATED MINERAL RESOURCE ESTIMATE AS OF JULY 31, 2021 – THE GMC

Classification	Tonnes	Ag (g/t)	Ag (oz)	Au (g/t)	Au (oz)	Ag eq (g/t)	Ag eq (oz)	Au eq (g/t)	Au eq (oz)
Total Measured	368,944	196	2,329,550	2.36	27,948	397	4,708,345	4.67	55,392
Total Indicated	150,550	194	940,378	2.16	10,439	378	1,829,410	4.45	21,522
Total M&I	519,494	196	3,269,928	2.30	38,387	391	6,537,755	4.60	76,915
Total Inferred	665,977	194	4,149,076	2.42	51,875	400	8,558,540	4.70	100,689

Notes:

1. Cut-offs are based on the marginal operating costs per mining area being US\$127.40/tonne for San Ignacio.

2. Block model grades converted to US\$ value using plant recoveries of 87.15% Ag, 86.70% Au, and net smelter terms negotiated for concentrates.
3. Rock Density for San Ignacio is 2.64t/m³.
4. Totals may not agree due to rounding.
5. Grades in metric units.
6. Contained silver and gold in troy ounces.
7. Minimum true width 0.5m.
8. Metal Prices US\$20.00/oz silver, and US\$1,650.00/oz gold.
9. Effective date of July 31, 2021.
10. Ag eq oz were calculated using 85:1 Ag:Au ratio.
11. Inferred Mineral Resources have a great amount of uncertainty as to their existence and as to whether they can be mined legally or economically. It cannot be assumed that all or part of the Inferred Mineral Resources will ever be upgraded to a higher category.
12. Mineral Resources that are not Mineral Reserves have no demonstrated economic viability.

5.B.10 Mineral Reserve Estimates

There are no Mineral Reserve estimates for the GMC. Mineral Resources are not Mineral Reserves and do not have demonstrated economic viability.

The Company made production decisions to enter production at the GMC at both Guanajuato, in 2006, and San Ignacio in 2013. The Company did not base these production decisions on any feasibility study of Mineral Reserves demonstrating economic and technical viability of the mines. Thus, there may be increased uncertainty and risks of achieving any level of recovery of minerals from the mines at the GMC or the costs of such recovery. As the GMC does not have established Mineral Reserves, the Company faces higher risks that anticipated rates of production and production costs will be achieved, each of which risks could have a material adverse impact on the Company's ability to continue to generate anticipated revenues and cash flow to fund operations from the GMC and ultimately the profitability of these operations.

5.B.11 Mining Operations

5.B.11.a Guanajuato Mine

Guanajuato consists of a series of interconnected, previously independent, mines including Promontorio, Santa Margarita, Rayas, Los Pozos, Cata, Valenciana and Guanajuatito.

Mining at Guanajuato predominantly comprises cut and fill stoping, with some pillar recovery in historic workings, and a few zones where mineralized extensions are discovered and mined over a period of a few months. Mining is generally more selective using jacklegs. However, where possible, mechanized cut and fill is utilized.

Two main shafts serve access to the active mine areas, while several other old shafts provide ventilation support. The Rayas shaft is used for transportation of personnel and supplies, while the Cata shaft, located just above the processing plant is used to transport the mineralized material for milling. These are currently de-energized and access of men and materials and egress of ore is via the Rayas ramps, San Vicente and Guanajuatito that provide the access at each end of the mine network, including for mobile equipment.

Rock integrity at Guanajuato is considered favorable, but occasionally roof support, in form of rock bolting, and very occasionally wire mesh, is required.

Mining is conducted by contractors, primarily sourced from nearby communities, utilizing equipment owned by the Company and the contractors. Mine contractors and equipment are alternated between the mines, including San Ignacio, to accommodate the mining sequencing.

Guanajuato was placed on a care and maintenance basis from January 2019 to July 2019 to allow for a focused exploration program.

5.B.11.b San Ignacio Mine

Mining at San Ignacio started in the third quarter of 2013 and commercial production was declared in the second quarter of 2014.

The mining method is mechanized cut and fill, with fill provided by waste development. Jacklegs are used in stopes for vertical to 70 degree production holes, and if necessary the hanging wall can be blasted to create a 2.0 m wide stope. Forced air ventilation uses electric fans, and sump pumps operate at 50-60 gpm removing mine water. The two electric air compressors deliver 1,000 cfm at 100 psi. The mine's electric power is supplied by the Mexican national grid.

Mineralized material is trucked to the Cata processing plant using highway rated trucks with 20 tonne payload.

5.B.11.c Production Summary

The following table reflects a summary of the production at the GMC since 2006.

Year	Tonnes (milled) ⁽¹⁾	Ag (oz)	Au (oz)
2006	86,111	105,480	988
2007	203,968	521,225	3,794
2008	155,079	848,083	5,488
2009	138,517	1,019,751	6,748
2010	144,112	1,019,856	6,619
2011	169,213	959,490	7,515
2012	174,022	1,004,331	10,350
2013	221,545	1,079,980	15,063
2014	267,812	1,239,009	15,906
2015	309,944	1,708,061	21,126
2016	320,043	1,473,229	21,626
2017	316,810	1,386,964	21,501
2018	301,014	1,096,757	19,073
2019	187,610	590,781	11,588
2020 ⁽²⁾	151,001	520,903	6,779
2021 ⁽³⁾	149,329	485,315	6,659
Total	3,296,130	15,059,215	180,823

Notes:

1. 2006-2015 reported figures reflect tonnes milled, 2016-2020 reported figures reflect tonnes mined which has a small discrepancy to tonnes milled.
2. The operations at the GMC were suspended from April 2, 2020 through June 3, 2020 on account of the directive of the Mexican Federal Government to mitigate the spread of COVID-19.
3. The Guanajuato Mine and the Cata Processing Plant are on care and maintenance effective November 30, 2021 and San Ignacio in January 2022.

The Company presents production forecasts annually. For 2022, the Company has assumed that the GMC remains on care and maintenance for the year and has no production. For more information, see the Guidance and Outlook section of the 2021 MD&A.

Readers are cautioned that there are no current estimates of Mineral Reserves for any of the Company's Mexican mines. The Company made decisions to enter into production at Guanajuato and San Ignacio without having completed final feasibility studies. Accordingly, the Company did not base its production

decisions on any feasibility studies of Mineral Reserves demonstrating economic and technical viability of the mines, and anticipates making future production decisions without the benefit of these feasibility studies.

As a result, there may be increased uncertainty and risks of achieving any particular level of recovery of minerals from the Company's mines or the costs of such recovery. With the exception of Tucano, the Company's mines do not have established Mineral Reserves and the Company faces higher risks that anticipated rates of production and production costs, such as those provided above, will not be achieved. These risks could have a material adverse impact on the Company's ability to continue to generate anticipated revenue and cash flow to fund operations from and ultimately achieve or maintain profitable operations.

5.B.12 Recovery Methods

Mineralized material from both Guanajuato and San Ignacio is blended and processed at the Cata processing plant at Guanajuato.

The three-stage crushing plant is designed to produce ball mill feed that is less than 3/8 inch in size. Run-of-mine material is passed through a grizzly, into the 1,000 tonne coarse material bin. Oversize is broken manually or with a backhoe-mounted rock-hammer. The coarse material is approximately minus 18 inch material. From the coarse bin the material is taken by an apron feeder and over a vibrating grizzly to the Pettibone (24 inches by 36 inches) primary jaw crusher. The jaw crusher has a closed setting of four inches. A second 500 tonne capacity coarse material bin is available, complete with a smaller crusher to enable separate handling of material if desired.

The flotation section was greatly improved with the installation of five automated Outotec cells in 2012, which replaced the old sections of rougher cells. The flotation products of these cells are sent, according to their quality, to cleaning cells or recirculated with scavenger products and cleaner tails for regrinding. After the cleaning step, the concentrate is sent to the concentrate thickener section and filtered to remove excess water, leaving final average moisture content of 11%. Final product concentrate is transported by highway trucks to the point of sale according to existing contracts.

In addition, a small mill for regrinding was installed in April 2012. The middling products (i.e. cleaning cell tails together with the scavenger products) are reground to liberate the valuable sulfides before being recirculated to the head of the flotation circuit.

Over the last eight years, other improvements include: (i) installation of a new electrical substation; (ii) total change of electrical cables; (iii) new tailings pumping system to the tailings dam (fully instrumented); and (iv) the implementation of a single pump station to replace the old system with five pumping stations to reduce electrical consumption.

5.B.13 Infrastructure, Permitting and Compliance Activities

5.B.13.a Overview

The GMC also includes ancillary infrastructure for senior management, technical services, assay laboratory, warehousing, finance, and other administrative services, and are located adjacent to the Cata processing plant. There are other smaller mine buildings located at San Vicente and San Ignacio.

The GMC enjoys proximity to urban development, including power and road infrastructure. Medical facilities are available at a short distance.

5.B.13.b TSF Permitting and Capacity

The Company placed the GMC on care and maintenance (Guanajuato and Cata processing plant in November 2021 and the San Ignacio mine in early January 2022) while awaiting permits to extend the tailings facility or find other alternatives to maximize the value of GMC. For a discussion of risks associated with the GMC TSF capacity and permitting matters, see Section 8.C.4 of the AIF under the heading “Risk Factors – *“The Risks Associated with Obtaining and Complying with Tailings and Other Permits”*”.

5.B.13.c Wastewater Discharge

In June 2016, the Company filed a request for authorization to discharge wastewater in San Ignacio. The authority conducted a technical visit in November 2016. In April 2018, the authority requested additional information, which the Company promptly submitted. In the fourth quarter of 2019, the Company received the authorization to legally discharge wastewater from San Ignacio.

5.B.14 Exploration and Development

At the GMC, on the Guanajuato trend, 354 metres of exploration drilling was completed at Guanajuatito in Q4 for a total of 7,008 metres in 2021 compared with the budget of 10,000 metres. The budget shortfall was largely the result of a shift of focus to drilling at San Ignacio where 174 metres were drilled in Q4 for a total of 10,680 metres in 2021 against a budget of 5,180 metres.

At San Ignacio the exploration program focused on core drilling with one surface rig, evaluating the extension of the Purisima vein system between the historical Santo Niño and San Pedro shafts. Drilling indicates a 300-metre-long zone at Santo Niño with high gold and silver grades close to surface and extending over 150 metres down dip. There is no evidence of historical workings on this zone and it is situated just 150 metres to the southeast of underground development by Great Panther. These results are considered exciting from an exploration perspective as they demonstrate the potential for new discoveries on known structures in the tenement.

In November 2021, the Mine Geology and GMC Exploration teams were restructured with the focus on harnessing the knowledge and skills of the team to generate 3D exploration models for both the Guanajuato and San Ignacio trends. Focus is initially on Guanajuato to develop and test the database structure and in January 2022 San Ignacio started to be developed in parallel. The modelling will allow the team to better understand the controls on mineralization at the GMC with the objective of identifying exploration opportunities.

5.C. TOPIA

The scientific and technical information on Topia in this Section 5.C. of the AIF is based on the Topia Technical Report described in Section 1.E. of the AIF. The conclusions, projections and estimates as well as certain other information included in this Section of the AIF are presented in summary form and subject to the qualifications, assumptions and exclusions set out in the Topia Technical Report. Readers are recommended to read the Topia Technical Report in its entirety to fully understand the project. The Topia Technical Report is available on SEDAR (www.sedar.com) or on EDGAR (www.sec.gov).

5.C.1 Topia Mine

Effective February 18, 2004, the Company entered into an option agreement, which granted it the right and option, for a term of one year, to purchase 100% of the ownership rights in and to all the fixed

assets, machinery, equipment (including the mill, buildings, offices, houses and quarters for the workers) and Topia Mining Concessions located in the Municipality of Topia, state of Durango, Mexico from Compañía Minera de Canelas y Topia, as optionor, by making cash payments totalling \$1.7 million. The Company completed the cash payments on exercise of the option in February 2005. In addition to the payments to the optionor, the Company agreed to assume debt encumbering the property totalling \$0.8 million upon signing of the purchase agreement. The debt owing was secured by Topia's assets. The balance of the debt was repayable out of production from concentrate sales as a 10% NSR royalty. After the debt was repaid, there was no further royalty. The remaining debt balance was fully paid and there are no outstanding conditions to retain title to the property.

The Company has mineral rights covering the operating mines and associated properties. The Company has surface rights for the land on which the plant sits and agreements for the properties covering the operating mines and tailings facilities.

5.C.2 Project Description, Location and Access

Great Panther holds a 100% interest in Topia through its wholly owned Mexican subsidiary, MMR.

Topia is situated in the Sierra Madre, around the town of Topia, Durango State, Mexico, approximately 235 km northwest of the city of Durango. Ground access is provided via 350 km of paved and gravel road, travelling north from the city of Durango, via Highway 23 to Santiago Papasquiaro, and then west to Topia. Total travel time by road is approximately eight hours. Small aircraft flights from Culiacán and Durango service the town of Topia daily.

The property encompasses 53 contiguous concessions that total approximately 6,686 hectares. The Topia mill and office complex is located at approximately 25° 12' 54" N latitude and 106° 34' 20" W longitude.

The Topia area lies within the Sierra Madre Occidental ("SMO"), in a remote region of rugged terrain. Hillsides are quite steep with elevations ranging from 600 masl up to over 2,000 masl.

The climate is generally dry for most of the year, with a wet season from June to September, during which time 200 mm to 500 mm of rain may fall. The annual mean temperature is 17°C, but winters can be cool with frosts and light snow, particularly at higher elevations. Exploration and mining work can be conducted year-round.

Vegetation consists of thickly inter-grown bush, comprising mesquite, prickly pear, nopal and agave, giving way to pine and oak forest at higher elevations.

Land use in the area is predominantly mining, forestry and agriculture.

5.C.3 History

Mining in the region predates European colonization and was first reported in the Topia area in 1538. The first mineral concessions were granted at Topia in the early 1600s.

Production from Topia during the period spanning the latter portion of the 19th century until the Mexican Revolution in 1910 was reportedly between \$10 million and \$20 million. This is estimated to have been the equivalent of between 15 million and 30 million ounces of silver.

Compañía Minera Peñoles SA ("Peñoles") acquired the mines in the district in 1944 and completed the construction of a flotation plant in 1951. Peñoles operated at Topia from 1951 to 1990 when the

operations were sold to Compañía Minera de Canelas y Topia which carried on operations privately until 1999 when the mine was shut down due to low metal prices. Production for the period 1952 to 1999 totalled 17.6 million ounces of silver and 18,500 ounces of gold.

Following Great Panther's acquisition of Topia in 2004, Great Panther refurbished and recommissioned the mill during the second half of 2005 and gradually increased the throughput at the plant. At the end of 2005, the mine was put back into production, after having been on care and maintenance for the prior six years. Since 2005, the Company has undertaken the rehabilitation of many of the mines in order to re-access the Argentina, La Dura, Don Benito, El Rosario, San Gregorio, San Miguel, San Jorge, La Prieta, Cantarranas, Animas, Oliva, Las Higueras, San Pablo, Oxi, Oxidada and Recompensa veins and resample parts of the veins as part of a due diligence on sampling carried out by Peñoles. This resampling, combined with the sampling carried out by Peñoles, forms a partial basis for the current Mineral Resource estimate.

Since 2006, underground exploration and production channel samples have been collected by Great Panther from all stopes and development drifts. This work included new development along the San Gregorio, El Rosario, Cantarranas, Don Benito, Las Higueras, San Pablo, Oxi, Oxidada, La Prieta and Recompensa veins. Exploration diamond drilling programs have targeted the various vein structures.

5.C.4 Geological Setting, Mineralization and Deposit Types

The Topia district lies within the SMO, a north-northwest-trending belt of Cenozoic-age rocks extending from the US border southwards to approximately 21°N latitude. The belt measures roughly 1,200 km long by 200 km to 300 km wide. Rocks within the SMO comprise Eocene to Miocene age flows and tuffs of basaltic to rhyolitic composition with related intrusive bodies. The property is underlain by a km thick package of Cretaceous and Tertiary andesite lavas and pyroclastic rocks which are, in turn, overlain by younger rhyolitic flows and pyroclastics. The volcanic sequence is transected by numerous faults, some of which host the mineralized veins in the district. There are two sets of faults: one striking 320° to 340° and dipping northeast and the other striking 50° to 70° and dipping steeply southeast to vertically. The northeast-trending faults are the principal host structures for precious and base metal mineralization.

The mineral deposits at Topia are adularia-sericite-type, silver-rich, polymetallic epithermal veins. Silver-gold-lead-zinc mineralization is found in fissure-filling veins along sub-parallel faults. Mineralization within the veins consists mainly of massive galena, sphalerite, and tetrahedrite in a gangue of quartz, barite, and calcite. The vein constituents often include adularia and sericite, and the wider fault zones contain significant proportions of clay as both gouge and alteration products.

Ore minerals occur as cavity-filling masses, comprising millimetre-scaled crystals of galena and sphalerite. No definitive metal zoning has been discerned, but the lower parts of the mines are reported to contain higher gold content than at higher elevations.

The veins range in thickness from a few cm to three m. They are very continuous along strike, with the main veins extending more than four km. The Madre vein has been mined for 3.5 km and the Cantarranas vein for 2.4 km. Many of the other veins have been mined intermittently over similar strike lengths. Vertically, the veins grade downward to barren coarse-grained quartz-rich filling and upwards to barren cherty quartz-calcite-barite vein filling. The main host rock is andesite of the Lower Volcanic Series, which is usually competent, making for generally good ground conditions within the mine. In wider sections, with greater clay content and/or zones of structural complexity, ground conditions are less favourable.

5.C.5 Exploration

The Company carried out refurbishment and sampling of underground drifts through 2005 and 2006. A total of 779 samples were taken from the Dos Amigos, La Dura, El Rosario, Cantarranas and Madre veins. The sampling was successful in confirming earlier sampling work carried out by Peñoles prior to the Company acquiring the property. Since 2005 the Topia Mine has been in operation with mining from multiple veins. Routine underground chip sampling has taken place both by the exploration staff, and as well by the operations staff. Exploration sampling has both been on surface exposures of veins, but most of the exploration sampling has been in evaluation of historical development driven on multiple veins. Most of the underground sampling has been done by operations staff, as routine chip sampling across the vein in both development levels, sub-levels, and stopes, in areas of active mining.

Exploration drilling in Q4 2021 was 2,408 metres for a total of 5,845 metres in 2021. During the quarter, drilling was performed by two surface drill rigs and two underground drill rigs with focus of surface drilling on the Unión del Pueblo, Hormiguera and San Juan mine extensions and underground at the 1522 Mine. The primary purpose of this exploration program is to increase definition of existing Inferred Mineral Resources.

The mineralized veins at Topia are laterally extensive and can locally be followed for more than 4 kilometres. They are steeply dipping and, due to their narrow width, mine development is 'on-vein' rather than parallel to it. Consequently, the veins are drilled at wide spacing from surface to trace their lateral continuity, then detail sampled underground as development progresses. Minimal underground exploration drilling is conducted. In this way, Inferred Mineral Resources are defined primarily from surface drilling, with a goal of upgrading to Measured & Indicated Resources once the underground sampling is complete.

5.C.6 Drilling

Great Panther has been diamond drilling at Topia since 2004. Drill programs were planned and supervised by personnel employed by the Company, its subsidiaries and/or contractors. The surface drilling programs conducted from 2004 to 2012 and in 2017 were carried out under contract. Underground drill programs were carried out by Topia drillers. Core logging and collar surveys were carried out by Great Panther personnel. All surface holes are NQ-size, although some surface holes were collared as HQ (6.35 cm diameter) and reduced to NQ. Underground drill holes are A size core.

Exploration drilling in Q4 2021 was 2,408 metres for a total of 5,845 metres in 2021. During the quarter drilling was performed by two surface drill rigs and two underground drill rigs with focus of surface drilling on the Union del Pueblo, Hormiguera and San Juan mine extensions and underground at the 1522 Mine. The primary purpose of this exploration program is to increase definition of existing Inferred Mineral Resources.

Core logs, sample intervals and surveys are entered into a Microsoft SQL database using a proprietary logger. The database is managed and validated by Great Panther mine staff, with the assistance of exploration personnel based in Vancouver.

The core logging and sampling is carried out within a fenced compound at the mill site. Access to the core is restricted to Great Panther employees or contractors. The core shack and sampling facility are adequately equipped and secure. Core recovery in those sections reviewed by the Topia Qualified Person was appropriate, and the sampling was done correctly.

5.C.7 Sampling, Analysis and Data Verification

Sampling comprises both diamond drill and channel samples. Drill holes provide a reliable indication of the vein locations but drifting and raising on vein was required to fully evaluate the quantity and grade of the Mineral Resources.

The channel sampling was conducted either across the back or at waist height across the drift face using a hammer and moil. The protocol for sample lengths was that they were to be no longer than two m. Sample spacing was in the order of 1.5 m to 2.5 m in the more densely sampled areas. The veins tend to be very steeply dipping to vertical, and so these samples are reasonably close to representing the true width of the structure.

The channel samples were processed and assayed at the Topia laboratory. Samples were dried, crushed in two stages, riffle split and pulverized. A sample was taken from the pulp and weighed, while the rest was kept in storage. Samples were analyzed for gold and silver by fire assay and gravimetric finish, or for base metals by atomic absorption.

Diamond drill core samples were marked on the core by geologists. Samples did not cross lithological limits and their lengths were constrained to within a minimum of 10 cm and a maximum of two m. Mineralized structures and the material adjacent to them were always sampled. For sets of veins with less than five m separation, the material between veins was sampled entirely. Samples were taken using a diamond saw to split the core. The samples were prepared at the Topia laboratory.

The total database encompasses three components: diamond drilling, production channel sampling, and the historical development channel sampling completed by the former owner, Peñoles. All three datasets were variably used in the modeling of the various veins and vein splays. Peñoles data in certain mines were minimal.

In the opinion of the Qualified Person at the time, the sampling at Topia was conducted in an appropriate fashion using techniques that are commonly used in the industry. The samples were properly located and oriented and were representative of the mineralization. Assaying is being conducted using conventional methods, in facilities that are properly configured and managed. Performance of the laboratory is being monitored by both internal QA/QC protocols and comparison with an external laboratory.

All phases of the sampling, transport and assaying were carried out under the supervision of Great Panther authorized personnel or authorized contractors. The Topia lab and core handling facility are enclosed within the mill compound, which was constantly supervised and reasonably secure. The sample preparation, analysis, and security procedures at Topia were adequate and consistent with common industry standards.

5.C.8 Mineral Resource Estimates

The estimate of Mineral Resources was last completed for Topia with an effective date of March 31, 2021 (refer to the corresponding Topia Technical Report) and supersedes the previous Mineral Resource estimates for Topia by Brown (2019), with effective date of July 31, 2018.

MINERAL RESOURCE ESTIMATE AS OF MARCH 31, 2021 - TOPIA

Classification	Tonnes (000s)	Grade Ag (g/t)	Grade Au (g/t)	Grade Pb (%)	Grade Zn (%)
Measured	176.0	630	1.92	4.63	4.80
Indicated	155.8	587	1.75	4.15	4.16
Total M&I	331.8	609	1.84	4.40	4.50
Inferred	274.6	592	1.44	3.35	3.63

13. Notes:

1. CIM Definitions were followed for Mineral Resources.
2. Area-Specific vein bulk densities as follows: Argentina - 3.04t/m³; 1522 - 3.15t/m³; Durangueno - 3.15t/m³; El Rosario - 2.92t/m³; Hormiguera - 2.61t/m³; La Prieta - 2.86t/m³; Recompensa - 3.32t/m³; Animas - 3.02t/m³; San Miguel - 2.56t/m³; San Juan - 3.39t/m³; Laura (Hipolito) - 2.85t/m³; and Union de Pueblo - 2.61t/m³.
3. Measured, Indicated, and Inferred Mineral Resources are reported at a cut-off Net Smelter Return (NSR) in US\$, include 1522 Mine \$280/t, Argentina Mine \$257/t, Durangueno Mine \$202/t, Recompensa Mine \$245/t, Hormiguera Mine \$230/t, El Rosario Mine \$345/t, La Prieta \$254/t, Animas \$287/t, San Miguel \$241/t, San Juan \$233/t, Laura (Hipolito) \$252/t, and Union de Pueblo \$241/t.
4. Total estimates may not agree due to rounding.
5. A minimum mining width of 0.30 metres was used.
6. Mineral Resources are estimated using metal prices of US\$1,650/oz Au, US\$20.00/oz Ag, US\$0.85/lb Pb, and US\$1.20/lb Zn; and metallurgical recoveries of 92.4% for Ag, 55.4% for Au, 94.3% for Pb, and 90.5% for Zn.
7. 2021 Mineral Resource Ag Eq oz were calculated using 85:1 Ag:Au ratio, and ratios of 1:0.041 and 1:0.049 for the price/ounce of silver to price/pound of lead and zinc, respectively. The ratios are reflective of average metal prices for 2021.
8. Mineral Resource estimation has an effective date of March 31, 2021. Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability. The potential quantity and grade is conceptual in nature, there has been insufficient exploration to define a Mineral Resource and it is uncertain if further exploration will result in the target being delineated as a Mineral Resource. Inferred Mineral Resources have a high degree of uncertainty as to their economic and technical feasibility. It cannot be assumed that all or any part of an Inferred Mineral Resources can be upgraded to Measured or Indicated Mineral Resources.

Geological modelling and subsequent Mineral Resource estimation were performed by Great Panther under the supervision of the Qualified Persons in accordance with the CIM Estimation of Mineral Resources and Mineral Reserves Best Practice Guidelines (November 2019). The geological data compilation, interpretation, geological modelling and Mineral Resource estimation methods and procedures are described in the following Sections.

For estimating the Mineral Resources for the Great Panther Topia Mine, the Qualified Person has applied the definitions of "Mineral Resource" as set forth in the CIM Definitions Standards, adopted May 10, 2014 (CIMDS).

Under CIMDS, a Mineral Resource is defined as:

"...a concentration or occurrence of solid material of economic interest in or on the Earth's crust in such form, grade or quality and quantity that there are reasonable prospects for eventual economic extraction. The location, quantity, grade or quality, continuity and other geological characteristics of a Mineral Resource are known, estimated or interpreted from specific geological evidence and knowledge, including sampling."

Mineral Resources are subdivided into classes of Measured, Indicated, and Inferred, with the level of confidence reducing with each class, respectively. Mineral Resources are reported as in-situ tonnage and are not adjusted for mining losses or mining recovery. There are no Mineral Reserves disclosed in this report.

The Mineral Resources were estimated from 10 mine area-specific block models. A set of 60 wireframes representing the mineralized zones (veins) served to constrain both the block models and data subsequently used in Inverse Distance Cubed (ID3) gold, silver, lead, and zinc grade interpolations. Each block residing at least partly within one of 60 wireframes received a grade estimate. Refer to the Mineral Resources Table above for a summary tabulation of the estimates.

The full operational cost cut-off value as calculated by the mine operating staff ranges from US\$202 to US\$345/tonne for different areas based on full mine operating costs (mining, milling, administration). Block model silver, gold, lead, and zinc grades have been converted to an US\$ NSR value using an NSR "calculator" which takes into effect metal prices (long term projected to be US\$20.00/oz silver, US\$1,650/oz gold, US\$0.85/lb lead, and US\$1.20/lb zinc), plant metallurgical recoveries

5.C.9 Mineral Reserve Estimates

There are no Mineral Reserve estimates for Topia. Mineral Resources that are not Mineral Reserves have no demonstrated economic viability.

5.C.10 Mining Operations

The Topia Mine is 235 km northwest of, and connected by gravel and paved road to, the logistical center of Durango, Durango State. The trip from Topia to Durango takes approximately 8 hours to drive by pickup truck. All minor supplies (fuel, food) can be purchased in Topia, but equipment parts and major repair must be secured through the Durango facilities of the Company. The access road is sufficient for 30 tonne articulated concentrate trucks. Topia has a runway sufficient for small single or twin-engine aircraft which is used regularly by Company personnel to access either cities of Durango or Culiacan (in Sinaloa state). Topia consists of several mines, which comprise Argentina, 15-22, San Miguel, 9 North, San Juan, Recompensa, Hormiguera, El Rosario, La Prieta, El 80, and Durangueno.

Mining at Topia generally consists of development along very narrow veins. Mining is selective using jacklegs, however, where possible, mechanized cut and fill is deployed. All mines are accessed via adits and ramps, although internal passes are constructed to access the upper and lower ore zones. Rock integrity at the mines at Topia is considered favorable, but on rare occasions roof support, in the form of rock bolting, and occasionally wire mesh, is required.

Mining is conducted by contractors and in-house miners sourced from nearby communities and outside cities, and utilizes equipment owned mostly by the Company. Mine contractors and equipment are alternated between the mines to accommodate the variations in production plans.

For the narrower veins at Topia, mining is conducted by overhand cut and fill stoping with resuing to selectively mine the mineralized material separate from the waste to minimize dilution. Drilling is performed with jackleg drills and mineralized material is hand mucked in the stope and dropped down timber crib muck passes which are developed upwards as the stoping advances. Mineralized material is hand sorted at the face so that only the higher-grade material is removed from the stope. Worker access and ventilation is provided in timber crib man-ways adjacent to the muck passes. The level interval for the stopes is typically 40 m.

The use of ground support in the small tunnels and narrow stopes is infrequent as the small headings require little support.

From the muck passes the mineralized material is pulled via manual chutes, loaded into small rail cars and hand trammed to a stockpile at the portal. At the surface ore stockpile, the mineralized material may again be hand sorted to remove waste material. The mineralized material is then picked up by front end loader and loaded into highway-style 10 tonnes to 20 tonnes capacity dump trucks to be hauled to the mill.

Along the Argentina and Don Benito veins, in the Argentina and 15-22 Mines respectively, there are significant areas with vein widths ranging from 0.5 to 1.0 m. In these wider areas, mechanized cut and

fill mining is applied with resuing to control ore dilution with waste. Mobile equipment used includes small 2 cubic yard LHDs for development and 1 cubic yard and 0.5 cubic yard LHDs for mucking in the stopes. Development access is provided via decline. Ground support consists of rock bolts and mesh as required.

Sublevels are 40 m apart in the mechanized cut and fill areas. Waste is either generated from material beside the vein, which is blasted separately from the mineralized material, or elsewhere from waste development within the mine to remain as backfill.

Lifts in the mechanized cut and fill stope are taken with horizontal holes (breasting) instead of drilling uppers (which is more productive) since it generates a ragged back leading to problems with ground support.

Mineralized material is hauled from the mechanized cut and fill stopes by LHD and then loaded into a truck for haulage to the mill.

5.C.11 Processing and Recovery Operations

The mill employs conventional crushing, grinding, and flotation to produce lead and zinc sulfide concentrates. The operation normally runs seven days a week, 24 hours per day, with a weekly maintenance shift. The conventional wet tailings handling system was transitioned to dry stack by construction of a filtration facility that commenced operation in 2017.

5.C.12 Infrastructure, Permitting and Compliance Activities

5.C.12.a Overview

Topia is a relatively small town of approximately 3,500 people. However, a good portion of the population has worked in mining and there is a good local source of labour. The town is serviced by road, chartered air service, power grid, telephone, and a high-speed microwave communication system. There are restaurants, hostels, and medical services; however, there are no banks or automated banking machines. Great Panther uses a microwave point-to-point service for telephone and internet, and also maintains fixed telephone lines for redundancy. Water is available from numerous springs, streams and adits.

The surface and underground infrastructure at Topia includes the following:

- extensive underground workings;
- multiple adits from surface as well as raises, drifts, cross-cuts, sub-levels and ramps;
- mine ventilation, dewatering and compressed air facilities;
- conventional and mechanized underground mining equipment;
- mine, geology, processing and administrative offices;
- a flotation concentrator with surface bins, crushing facilities, grinding mills, flotation cells and concentrate dewatering circuit;
- a tailings filtration and dry stack storage facility; and
- connection to the national grid for the supply of electric power.

There are no known environmental liabilities associated with the mineral claims, other than the provision recognized in the Annual Financial Statements for the estimated present value of future reclamation and remediation associated with the future retirement of Topia.

5.C.12.b *Topia TSF*

All permits are in place for Topia, the latest being the permit issued by SEMARNAT in December 2017 for use of the Phase II TSF for deposition of filtered tailings. Phase II is a dry stack operation using filter cake with an underdrainage system to assist in removing water from Phase I. The deposition includes stacking and compaction of the material.

Phase I of the TSF was closed and contoured during 2018. Based upon recommendations from an independent consulting firm, three additional instrumentation stations in the footprint of the TSF were put in place in 2019 for the purposes of continuous monitoring.

An independent consulting firm will continue to perform an annual review of Phase I, as well as conduct geotechnical reviews and provide design considerations for Phase II.

On March 9, 2020, the Company announced it had temporarily ceased tailings deposition at its Topia Phase II TSF following receipt of a report on the TSF from the independent tailings management and geotechnical consultants engaged by the Company to evaluate the TSF. The report recommended that stacking of tailings of the Phase II area of the TSF be discontinued based on evidence of mass movement underlying Phase I and Phase II of the TSF. Mining and processing activities continued uninterrupted with tailings being deposited at alternative temporary locations until processing activities were halted by the government enforced shutdown due to COVID-19.

During the suspension of non-essential activities due to COVID-19, Great Panther continued monitoring the conditions on Phase II and installed additional geotechnical instrumentation, including several new piezometers and inclinometers, as reconnaissance work was permitted. In addition, tests were carried out to determine the state of the tailings in Phase I. Extensive work has been carried out to identify and reduce the flow of water into the base of the TSF. The completion of the geological reconnaissance program during the suspension of operations allowed time to implement remedial measures, including the drilling of several dewatering and depressurization wells in and around Phases I and II. Monitoring indicated that it was safe to return stacking in Phase II, which is expected to provide sufficient capacity until the end of 2022. Deposition at Phase II recommenced in August 2020 on the basis of continued positive results of monitoring and an interim stacking plan for Phase II received from a third-party consultant with strict control on sequence and compaction level. The Company has also received the required permit for Phase III, which will be available for use after constructing retaining walls and erosion controls around the base of the facility.

The Company has implemented precautionary measures to mitigate the risk of movement of the TSF material, including notification and relocation of certain inhabitants who moved back to live below the TSF after having previously been relocated away from the TSF. The Company has drilled a series of dewatering wells regionally in the location of Phase I and II and 6 depressurization wells in Phase I, as part of the recommending remediation. The Company also repaired all drainage systems in the regional area by concrete lining and repaired the catchment sumps below Phase II in effort to limit water infiltration into the TSF's. The final installation of pumps occurred in February 2021. Movement to date and with the return to Phase II deposition has been within in the established Trigger Response Action Plan ("TARP") parameters. Currently the area is in the "green" category of TARP. Phase III is on top of the old Peñoles TSF and the stacking of filtered tails would also form part of the remediation work required for this TSF. The Company is redesigning the Phase II TSF within the permitted area and with capacity to the end of 2023. In November 2021, an updated survey of the Phase II TSF permitted area was performed and revealed that the permitted area was not consistent with the original design.

In November 2021, an updated survey of the Phase II TSF permitted area was performed and revealed that the permitted area was not consistent with the original design. The Company subsequently modified the Phase II TSF design to adjust it to the correct permitted area, resulting in the total storage capacity being unchanged at approximately two years. In January 2022, the Company submitted an Environmental Impact Assessment (EIA) to obtain permits to extend the Phase II TSF to include the area that had been included in the original design. If approved, this will provide an additional 2 years of tailings storage.

For a discussion of risks associated with the Topia TSF, see Section 8.B.1 of this AIF under the headings *"Mining and Mineral Exploration Have Substantial Operational Risks"* and Section 8.C.3 *"Risks Associated with Continued use of Topia Tailings and Expansion"*.

5.C.13 Production

The Company has established a LOM estimate for Topia of 3.0 years as at December 31, 2020, for the purposes of amortizing the mineral, properties, plant and equipment. This LOM estimate does not take into account any additional Mineral Resources which may be discovered through recent and future exploration drilling. The Company re-evaluates its LOM estimate on an annual basis. The Company will commence reclamation and remediation at Topia shortly before the end of its mine life and carries a provision of \$6.6 million to cover these costs. The estimate of asset retirement costs is calculated using current cost estimates which are then inflated to the future expected cash flow and then discounted to a current value using a risk-free rate of interest consistent with the expected cash flow timing, all as more particularly described in the Audited Financial Statements.

The provision is based on a closure cost estimate discounted to present value. If no further Mineral Resources are defined, reclamation and remediation at Topia are anticipated to commence in 2024 and continue through to 2047. However, the timing and amount of reclamation and remediation is subject to future changes in the LOM estimate. For example, the addition of Mineral Resources through recent and future exploration drilling could extend the LOM estimate.

For the year ended December 31, 2021, 1.1 million Ag eq oz were produced at Topia.

Readers are cautioned that there are no current estimates of Mineral Reserves for any of the Company's Mexican mines. The Company made decisions to enter into production at Topia without having completed final feasibility studies. Accordingly, the Company did not base its production decisions on any feasibility studies of Mineral Reserves demonstrating economic and technical viability of the mines, and anticipates making future production decisions without the benefit of these feasibility studies.

As a result, there may be increased uncertainty and risks of achieving any particular level of recovery of minerals from the Company's mines or the costs of such recovery. As the Company's mines in Mexico do not have established Mineral Reserves the Company faces higher risks that anticipated rates of production and production cost budgets will not be achieved. These risks could have a material adverse impact on the Company's ability to continue to generate anticipated revenue and cash flow to fund operations from and ultimately achieve or maintain profitable operations.

Below is a summary of the historical production of Topia.

Production – Topia Mine

Year	Tonnage (Tonnes) ¹	Silver (Oz)	Gold (Oz)	Lead (Tonnes)	Zinc (Tonnes)
2006	22,445	208,004	406	627	742
2007	33,605	279,441	643	735	847
2008	35,318	366,199	812	876	1,074
2009	30,045	437,079	403	871	1,057
2010	38,281	515,101	597	1,092	1,358
2011	46,968	535,881	500	941	1,315
2012	56,098	555,710	573	962	1,477
2013	62,063	631,235	651	1,116	1,673
2014	67,387	667,636	555	1,154	1,675
2015	65,387	677,967	614	1,198	1,850
2016	55,836	574,031	612	1,033	1,496
2017	53,745	595,721	999	1,291	1,757
2018	73,605	761,107	1,087	1,958	2,361
2019	79,257	938,581	1,344	1,960	2,576
2020	57,391	597,194	835	1,233	1,714
2021	63,516	716,507	1,047	1,385	1,849
Total	840,947	9,057,394	11,678	18,432	24,821

14. Note:

1. Includes purchased ore tonnes milled. Excludes custom milled tonnes.

The Company presents production forecasts for its Mexican operations on a consolidated basis annually. For more information, see the Guidance and Outlook section of the 2021 MD&A.

5.C.14 Exploration and Development

Development plans for Topia during 2022 are limited to ongoing underground mine development and exploration drilling in the normal course of operations. The Company plans to spend \$0.5 million in 2022 on a surface drilling program of 3,740 metres focused on defining new Mineral Resources in six areas along the strike and down-dip extents of present mining efforts.

6. ADVANCED-STAGE PROJECTS

6.A. CORICANCHA

Coricancha is a polymetallic mine that includes a 600 tonne per day flotation and gold BIOX® bio-leach plant along with supporting mining infrastructure. Coricancha has been on care and maintenance since August 2013 when it was closed due to falling commodity prices. The Coricancha property comprises more than 3,700 hectares in the prolific Central Polymetallic Belt and production at the mine dates to

¹ Includes purchased ore tonnes milled. Excludes custom milled tonnes.

1906. Gold-silver-lead-zinc-copper mineralization (approximately 80% gold-silver by value) occurs as massive sulphide veins that have been mined underground by cut and fill methods.

The Company's Peruvian subsidiary, Great Panther Silver Peru S.A.C. ("GP Peru"), completed the acquisition (the "Coricancha Acquisition") of all of the issued and outstanding shares of Nyrstar Coricancha S.A. from Nyrstar International B.V. and Nyrstar Netherlands (Holdings) B.V., as sellers (together "Nyrstar") on June 30, 2017 (the "Completion"). Nyrstar Coricancha S.A. was the 100% owner of Coricancha, gold-silver-lead-zinc-copper mine and mill complex in Peru at Completion.

The Coricancha Acquisition was completed pursuant to a Share Purchase Agreement originally dated December 19, 2016, among the Company, GP Peru, Nyrstar, and Nyrstar Coricancha SA (the "Original SPA"). The Original SPA was amended and restated on June 9, 2017 (the "Amended and Restated SPA") and further amended by agreement dated June 28, 2017 (the "Second Amendment Agreement") and further subsequently amended pursuant to an amending letter agreement dated June 27, 2020 (the "Amending Agreement" and collectively, with the Original SPA, the Amended and Restated SPA and the Second Amendment herein referred to as the "SPA").

The legal name of Nyrstar Coricancha S.A. was changed GPC after the Coricancha Acquisition.

6.A.1 The SPA

The parties entered into the Amended and Restated SPA in order to incorporate certain amendments to facilitate the reorganization of Nyrstar's investments in Peru in connection with its planned divestitures. The amendments in the Amended and Restated SPA did not materially impact the terms of the acquisition under the Original SPA. The parties entered into the Second Amendment Agreement in order to defer payment of the initial \$0.1 million portion (the "Completion Price") of the Purchase Price (defined in 6.A.1.c below) from Completion to a date no later than five business days following the receipt of a final cost certificate from the Peruvian tax authority that related to the cost base of Nyrstar's shares in GPC. The Second Amendment Agreement also included corresponding agreements relating to certain tax matters. The Amending Agreement was concluded to amend and restate the Mine Closure Agreement (defined and described below) and to make certain agreements with respect to the Cancha tailings reclamation obligation and extend a right of Nyrstar to purchase Coricancha tendered concentrates for two- and one-half-year period following the initial five-year period from Completion, subject to certain rights of first offer in favour of Samsung.

A copy of the Original SPA was filed on SEDAR on January 13, 2017. A copy of each of the Amended and Restated Share Purchase Agreement and the First Amendment Agreement were filed on SEDAR on July 10, 2017. A copy of the Amending Agreement and the Amended and Restated Mine Closure Agreement (which is a schedule to the Amending Agreement) were filed on March 11, 2021. Readers are advised to refer to the filed agreements for a complete description of the terms of the Acquisition. The forms of the Mine Closure Agreement, Earn-Out Agreement and Nyrstar Parent Guarantee, each as discussed below, are each included as exhibits to the Original SPA and Amended and Restated SPA. The summary of material terms of each of the agreements provided in this AIF is qualified by reference to the entirety of the SPA.

Reference to the "Amending Agreements" shall be to the Letter Agreement and the Amended and Restated Mine Closure Agreement. Reference to the Coricancha Agreements shall be to each of the acquisition agreements, as amended from time to time including, collectively, the Original SPA, the Amended and Restated SPA, the Second Amendment, the Mine Closure Agreement, the Earn-Out

Agreement, the Nyrstar Parent Guarantee, the Letter Agreement and the Amended and Restated Mine Closure Agreement.

Capitalized terms used in the discussion below that are not defined have the meaning prescribed to them in the SPA and related exhibits.

6.A.2 Closing of the Coricancha Acquisition

The Coricancha Acquisition was completed by Nyrstar transferring all of the issued and outstanding shares of Nyrstar Coricancha S.A. to GP Peru. Concurrently, the following agreements were executed in accordance with the SPA and came into effect on Completion:

- An earn-out agreement between the Company, GP Peru, Nyrstar, and Nyrstar Coricancha S.A., in the form attached to the SPA (the “Earn-Out Agreement”);
- A mine closure agreement between Nyrstar and Nyrstar Coricancha S.A., in the form attached to the SPA (the “Mine Closure Agreement”); and
- A guarantee of Nyrstar NV, the ultimate parent of Nyrstar, in favour of GP Peru and the Company, in the form attached to the SPA (the “Nyrstar Parent Guarantee”).

Nyrstar and the Company also executed a transition services agreement on closing in order to facilitate the transition of management and ownership of Nyrstar Coricancha S.A. to the Company and GP Peru. The transition services agreement was in effect for several months following Completion.

6.A.3 Acquisition Consideration

Under the terms of the SPA, GP Peru acquired Nyrstar Coricancha SA from Nyrstar for a purchase price (the “Purchase Price”) comprising:

- the Completion Price of \$0.1 million, which was paid subsequent to Completion in September 2017; and
- up to \$10.0 million in earn-out consideration to be paid under the Earn-Out Agreement, as described further below.

6.A.4 Earn-Out Agreement

Under the Earn-Out Agreement, GPC will pay Earn-Out Consideration to Nyrstar that will equal 15% of the free cash flow generated by Coricancha during the five-year period after which Coricancha is cumulative free cash flow positive from completion to a maximum of \$10.0 million. Specific material terms of the Earn-Out Agreement include the following:

- the Earn-Out Consideration will be determined as being equal to 15% of the Free Cash Flow of the Company during the Earn-Out Period, calculated and paid at the end of each relevant fiscal year of the Company during the Earn-Out Period;
- Free Cash Flow will be determined as the net income or loss of Coricancha, with adjustment for certain amounts specified in the Earn-Out Agreement related to depreciation and amortization, non-cash expenses and losses, deferred income tax and sustaining capital expenditures, each as determined in accordance with IFRS;
- the Earn-Out Period will begin on the Trigger Date (as defined below) and will expire on the earlier of:
 - the date that is five years from the Trigger Date; and

- the date on which the Cumulative Free Cash Flow generated from Coricancha since the Trigger Date has equaled an amount such that the Earn-Out Consideration to be paid by the Company to Nyrstar under the Earn-Out Agreement will equal \$10.0 million;
- the Trigger Date will be the date on which the aggregate cumulative Free Cash Flow generated by Coricancha from the Date of Commencement of Commercial Production has equaled or exceeded the amount of the Start-Up Expenditures, as defined in the Earn-Out Agreement, incurred by the Company from the date of Completion of the Acquisition to the Date of Commencement of Commercial Production; and
- the Date of Commencement of Commercial Production will be the date after Completion which is the first day of the first three-month period (whether calendar months or otherwise) during which period the average rate of production at Coricancha is at least 400 tonnes per day (with production calculated on the basis of mined material processed through the plant).

The Company will guarantee to Nyrstar the payment by GPC of the Earn-Out Consideration under the Earn-Out Agreement. To date, no consideration has been paid under the terms of the Earn-Out Agreement.

6.A.5 Reclamation Agreements

The SPA includes agreements between the Company, GP Peru, GPC and Nyrstar regarding legacy environmental matters relating to Coricancha. These agreements became effective on Completion and relate to the reclamation of tailings facilities at Coricancha and the funding of the corresponding reclamation costs. These terms include the following material provisions:

- GP Peru will cause GPC to reclaim the Cancha 1 and Cancha 2 TSF (being part of Coricancha), in accordance with the mine closure plan approved by MEM (the "Cancha Tailings Reclamation Plan");
- GP Peru will cause GPC to reclaim the Triana TSF (being part of Coricancha), in accordance with the mine tailings abandonment plan approved by MEM (the "Triana Reclamation Plan");
- Nyrstar will fund the payment of the Reclamation Costs associated with undertaking the reclamation work required to complete the Cancha Tailings Reclamation Plan and the Triana Reclamation Plan, to a maximum of \$20 million; and
- Nyrstar will advance funds to GPC to fund the Reclamation Costs on a quarterly basis in accordance with agreed upon mechanics set forth in the SPA.

In addition, Nyrstar has agreed to settle all outstanding fines or sanctions relating to Coricancha, to a maximum of \$4.0 million (subject to certain exclusions to which the maximum will not apply).

To date, the Company has completed some of the reclamation work under the Cancha Tailings Reclamation Plan and the Triana Reclamation Plan, and Nyrstar has funded these works in accordance with the SPA.

The Amending Agreements provide that GPC will use commercially reasonable efforts to seek an amendment to a closure plan for certain legacy tailings facilities that Nyrstar is obligated to fund. The objective of the amendment is to seek a technically superior closure plan for approval by the MEM with potentially lower costs. Further, the Amending Agreements provide that GPC will defer movement of the Cancha tailings in accordance with the Coricancha Mine Closure Plan, as it may be amended from time to time by the Company, until the earlier of June 30, 2022 or such date as the Company provides notice to Nyrstar of its determination to permanently close Coricancha under the Mine Closure

Agreement, as amended, subject to compliance by the Company with Applicable Law and with any direction or order of any Governmental Body that may apply to their reclamation and provided that such deferral will not result in any fines, penalties or other sanctions being imposed on the Company.

6.A.6 Mine Closure Agreement

The Mine Closure Agreement relates to the mine closure bond required to be maintained by GPC for Coricancha (the "Mine Closure Bond") in order to comply with the mine closure bond requirements imposed by MEM. Under the Mine Closure Agreement, Nyrstar agreed to maintain the required Mine Closure Bond up to an amount of \$9.7 million for a three-year period following Completion (the "Mine Closure Period") which period concluded on June 30, 2020.

Under the Amending Agreements, Nyrstar agreed to extend its requirement to continue to post a mine closure bond as security for closure costs at Coricancha beyond the original June 30, 2020, expiry date. The Amending Agreements provide that Nyrstar will maintain a \$7.0 million bond until June 30, 2021, and \$6.5 million for the following year (as in effect at the relevant time, the "Closing Contribution"), effectively deferring Great Panther's funding requirements for these amounts until June 30, 2022. Great Panther has provided collateral in the form of a deposit to cover the additional \$2.7 million bond requirement as of June 30, 2020. In June 2017, the bond closure amount required by the MEM was increased by \$1.2 million, which Great Panther funded. The total bond amount required by the MEM was \$10.9 million as of June 30, 2020, and remains unchanged as of the date of this AIF.

GPC will be responsible for any portion of the Mine Closure Bond required by MEM that is in excess of Nyrstar's required bond. In accordance with these obligations, Nyrstar is responsible, at its expense, for providing security for the initial Closing Contribution of the Mine Closure Bond and GPC is responsible, at its expense, for providing security for any excess amount.

In the event that GPC makes a final, irrevocable decision to permanently close Coricancha during the Mine Closure Period (expiry date June 30, 2022), the following will apply:

- Nyrstar will pay to GPC the amount of Closing Contribution in full and final release of its obligations under the Mine Closure Bond;
- GPC will take all steps necessary to establish a new Mine Closure Bond in the amount of Closing Contribution;
- Nyrstar will terminate its original Mine Closure Bond in the amount of Closing Contribution;
- GPC will proceed with the mine closure plan for Coricancha secured by the Closing Contribution paid to Coricancha by Nyrstar;
- if the costs of closing Coricancha are less than the Closing Contribution paid by Nyrstar, GPC will return to Nyrstar the difference; and
- if the costs of closing Coricancha are greater than the Closing Contribution paid by Nyrstar, Coricancha will be responsible for any excess closure costs.

In the event that GPC does not make a final, irrevocable decision to permanently close Coricancha during the Mine Closure Period, GPC will make arrangements for the release of the obligations of Nyrstar under its portion of the Mine Closure Bond, which arrangements will be in effect upon expiry of the Mine Closure Period, and GPC will be required to post the full amount of the required amount of the remediation bond with Peruvian government authorities. Nyrstar will then have no further responsibility or liability in connection with the Mine Closure Bond. Nyrstar will however retain obligation to fund the payment of the Reclamation Costs associated with undertaking the reclamation work required to

complete the Cancha Tailings Reclamation Plan and the Triana Reclamation Plan, to a maximum of \$20 million.

In addition, Great Panther has agreed to pay interest on the bond amounts Nyrstar has agreed to continue to fund at an annual rate of 3-month USD LIBOR plus 5%, and to defer any relocation of the legacy tailings until an agreement on a modified closure plan is achieved or there is a legal requirement to move the tailings. The Amending Agreements also provide Nyrstar with certain offer rights for Coricancha concentrates, which are secondary to those of a third party.

6.A.7 Parent Company Guarantee of Nyrstar NV

Trafigura acquired the operating businesses and assets of Nyrstar NV in a restructuring of Nyrstar NV completed effective July 31, 2019. Trafigura completed this acquisition through its 98% ownership of NN2 as the new parent entity to the Nyrstar entities. In order to reflect the restructuring, NN2 assumed the Parent Company Guarantee, as guarantor, with effect as of July 31, 2019, and Nyrstar NV was released as guarantor. Under the Nyrstar Parent Guarantee, NN2 has guaranteed to the Company, GP Peru and GPC, as beneficiaries, the punctual payment and performance by Nyrstar of the obligations of Nyrstar under:

- Clause 2 of the Mine Closure Agreement relating to the obligations of Nyrstar to post the Mine Closure Bond and advance the Closure Contribution, in each case to a maximum of \$7 million (before June 30, 2021) or \$6.5 million (from July 1, 2021, to June 30, 2022);
- Clause 5(h) of the SPA relating to tax indemnification matters; and
- Clause 6 of the SPA relating to the obligations of Nyrstar to fund the Reclamation Costs for Coricancha.

The obligations of NN2 are limited to the following maximum guaranteed amounts:

- \$7 million (before June 30, 2021) or \$6.5 million (from July 1, 2021 to June 30, 2022) with respect to the guaranteed obligations under clause 2 of the Mine Closure Agreement; and
- \$20.0 million with respect to the guaranteed obligations under clause 6 of the SPA relating to Reclamation Costs, of which \$1.8 million has been reimbursed to Great Panther by Nyrstar.

The guaranteed obligations with respect to the tax indemnification under clause 5(h) of the SPA will not be subject to the foregoing maximum guaranteed amounts and will be subject to the indemnification provisions of the SPA with respect to these obligations.

6.A.8 Current Technical Report

The scientific and technical information on Coricancha in Sections 6.A.2 through 6.A.12 of the AIF are based on the Coricancha Technical Report. The conclusions, projections and estimates as well as certain other information included in this Section of the AIF are presented in summary form and subject to the qualifications, assumptions and exclusions set out in the Coricancha Technical Report. Readers are recommended to read the Coricancha Technical Report in its entirety to fully understand the project. The Coricancha Technical Report is available on SEDAR (www.sedar.com) or on EDGAR (www.sec.gov).

6.A.9 Project Description, Location and Access

Coricancha is located in the central Andes of Perú in the District of San Mateo, Huarochirí Province, Department of Lima. The mine has been on care and maintenance since August 2013.

The plant and main site office are located adjacent to the Central Highway, 90km east of the city of Lima, next to the Rímac River in an area known as Tamboraque, and adjacent to the confluence of the Rímac River and its tributary, the Aruri River. The plant is located at 3,000 masl, and the mine accesses are located between 3,140 masl and 3,980 masl.

The mine includes 127 mining concessions, one mining transport concession, and one processing concession. All mining concessions are for metallic substances.

By agreement entered into with Biomin Technologies SA ("Biomin", now owned by Outotec) dated February 5, 1995, Coricancha was granted the right to use BIOX® technology. There are no other agreements or encumbrances known that would affect the current mine.

A 1% NSR royalty in favour of Global Resource Fund is payable on production from most of the mining licenses and a royalty of \$1/ounce exists for gold processed using BIOX® technology.

Legacy tailings are stored at Cancha 1 and 2¹ at the Coricancha site – Tamboraque, and at Chinchán Tailings Storage – Phase I.

The property is subject to the following environmental liabilities:

- Coricancha has an approved mining closure plan for mining and processing components, including tailings storage areas Cancha 1 and 2. The closure plan was updated three times to: (i) include Chinchán Tailing Storages Phase I and II; (ii) modify the tailings removal of Cancha 1 and 2 and transfer to Chinchán Tailings Storage; and (iii) modify the waste rock dump closure schedule. Coricancha, in the third Closure Plan Amendment (2014), has assumed a total commitment of \$10.9 million of closure warranty on behalf of MEM. A process is underway to modify the closure plan as it relates to the handling of some of the remaining tailings. This is described above in more detail and in Section 3.B.2 of this AIF.
- Coricancha has declared 14 surface waste rock storage sites in its 2010 mining closure plan. Four of them have been reported to have mineralization of potential economic interest. There are an additional four waste dumps that are considered marginal in that the recovered metal content does not cover processing costs, but dealing with them in the plant is cheaper than storage and treatment on surface. In addition, there are six waste dumps that do not have potential for processing, total remaining waste is 150,000t. Nevertheless, the 1996 Estudio Impacto Ambiental declared that all waste rock from mine activities would be stored in the underground mine upon final closure. The Company is reviewing alternate solutions to address this issue. As an alternative, the Company is considering relocating the 150,000t of waste onto Huamuyo alto dump instead of storing them underground.
- Other closure liabilities including the plant, roads, infrastructure, legacy waste dumps and tailings storage, mine openings, and mine water management exist. Some of these require further definition and permitting updates.

The estimated present value of reclamation and remediation costs associated with the future retirement of Coricancha is recognized as a provision on the Company's Statement of Financial Position. This value comprises the provision associated with the mine, the plant, and tailings storage facilities of Coricancha.

¹ Cancha 1 and 2 may also have been referred to as Deposito 1 and 2 in past disclosures regarding Coricancha by other owners.

The cost of removal of Cancha 1 & 2 tailings to store at Chinchán and to restore Triana is the responsibility of Nyrstar to a maximum of \$20 million (remaining funds are \$18.2 million). Separately, the Company plans to develop alternatives to propose to MEM to allow for the full reclamation while preserving the stability of the surrounding areas.

A number of permits are in place. The following permits would be necessary if the Company decides to advance Coricancha into production:

- The Chinchán TSFs have limited capacity. The Company must develop a balance between the actual allowed and available capacity of Chinchán Phase I and Chinchán Phase II TSFs and the amount of tailings that must be transferred from Cancha 1 and 2, including any future tailings generated from future mining/processing.
- Any exploration activities require an Environmental Certificate. The Company can request an environmental impact declaration, or Declaración Impacto Ambiental ("DIA") or Estudio Impacto Ambiental semi detailed ("EIA-sd") depending on the extent of work and the potential environmental impact. A DIA could be approved in seven working days, if the permits are for 20 sites or less and if no archeological site is encountered, while an EIA-sd can take an additional 55 working days.
- A future mining plan would likely require new waste dump facilities, which themselves would need to be permitted some time during the life of the operations. These details are presently under study.

6.A.10 History

Coricancha is part of the Viso-Aruri mining district located in the San Mateo District, Department of Lima, Province of Huarochirí, in the central Andes of Peru. Coricancha has been exploited almost continuously since colonial times. The historical Coricancha mine production for the 60 years prior to 1996 is reported to have ranged from 2,600 to 5,000 tonnes per month.

In late 1995, Coricancha underwent a considerable expansion of process plant capacity from 200 tpd to 600 tpd and the installation of a modern BIOX® plant. After completion of the expansion in 1997, the reported monthly production increased slightly over historic levels, but was not sustainable. The mine was shut down in September 2000 as the owner of Coricancha for the past 45 years, Minera Lizandro Proaño, was forced into bankruptcy due to low metal prices, labour shortages, and operational difficulties in the mine and concentrator.

At the beginning of 2001, Wiese Sudameris Leasing SA, a Peruvian bank which was the major secured creditor, took control of the assets and properties from the bankrupt Minera Lizandro Proaño. Later that year, it entered into an agreement with Peruvian contractor Larizbeascoa & Zapata SAC, to redesign the Coricancha operation.

After the mine reopened in 2002, the monthly production tonnage increased dramatically to 12,500 tpm. The monthly production then decreased to just over 8,000 tpm during the seven months of operation before being shut down in October 2002 by the government due to environmental issues associated with the Mayoc TSF. In November 2002, the Coricancha mine and mill were shut down and put-on care and maintenance. A water treatment plant to neutralize the mine water has been in continuous operation.

Gold Hawk Resources Inc., acquired Coricancha in early 2007 and commenced development work, then restarted operations in June of 2007 at a production rate of 600 tpd until operations were suspended again in May of 2008 due to surface ground movement observed on the natural hillside above the nearby TSF.

Nyrstar acquired Coricancha in November 2009, and recommenced operations in late 2010 following construction of a new TSF at the Chinchán location and the addition of a copper circuit. Operations at the plant were temporarily reduced to 30% of capacity in the first half of 2011, due to an increased moisture level and compaction problem at the newly commissioned Chinchán TSF resulting from heavy rainfall. During 2012, milling operations temporarily ceased due to concerns about the storage and planned movement of legacy tailings to the new Chinchán facility. At the end of 2012, as part of cost cutting measures, Nyrstar ceased mining mineralized material from Coricancha's underground deposits and focused on treating historical tailings before moving the waste material to the tailings pond. In August 2013, operations were halted due to the sustained lower precious metal prices, and Coricancha was placed on care and maintenance.

Exploration by the previous owners was very limited and focused on underground drifting and raising on vein structures. A limited, short-hole diamond drilling program was conducted in 2002.

The first formal documented exploration program was conducted by Nyrstar in 2010 and consisted of field mapping, ground magnetic and induced polarization surveys and diamond drilling.

There have been seven independent Mineral Resource and Mineral Reserve estimates prepared for the Coricancha property since 1995. Previous resource estimates (2007, 2009, 2011, and 2013) were prepared using industry standard best practices for exploration and Mineral Resource estimation (i.e., CIM 2003 and CIM Definition Standards) and reported in accordance with internationally recognized guidelines for disclosure of Mineral Resources and Mineral Reserves (i.e., NI 43-101, or JORC). All previous estimates are considered as historical.

6.A.11 Geological Setting, Mineralization and Deposit Types

The regional geology of the Viso-Aruri mining district comprises a package of andesitic volcanic rocks and local basal sedimentary units intruded by monzonite stocks. The Jumasha Formation is found at the base of the Viso-Aruri volcanic sequence and is characterized by tightly folded beds of grey limestone. The limestone outcrops in the Rímac River valley, near the town of San Miguel de Viso.

The approximately 1,500 m thick Rímac Formation overlies the Jumasha limestones and consists of Tertiary-age andesitic volcanics, characterized by alternating layers of massive and porphyritic, grey to greenish-grey-purple andesite. The volcanic beds are approximately 10 m to 40 m thick and are roughly sub-horizontal, dipping slightly to the SW at 15°.

There are two occurrences of intrusive rocks in the area which are thought to have been the source of the polymetallic mineralization, although this has not been confirmed. The first is a small, altered, intrusive stock that has been mapped near the village of Viso on the south side of the mountain (Coricancha is on the north side). The other occurrence consists of the NE-NNE trending, sub-vertical intrusive dikes cutting the volcanic rocks.

The area has been exposed to tremendous structural compression, which has produced a strong regional scale fracturing pattern and allowed the emplacement of the polymetallic mineralization within quartz (Qtz) sulphide veins as fracture filling. Some of the identified features include the NW-SE

Pariachaca-Matucana fault, the NS and NNE trending San Pablo and Huamuyo faults, and the NNE-SSE mineralized fracture zones.

The Coricancha property is almost entirely underlain by the Rímac Formation andesitic volcanics. The base of the sequence consists of brecciated volcanics overlain by andesitic flows, agglomerate and tuff towards the top of the Cerro Huamanjune at approximately 4,500 masl elevation.

Mineralization at Coricancha is that of an anastomosing polymetallic quartz vein system where most of the secondary and tertiary veins branch off either from the main vein or the secondary veins, respectively. The overall system trends towards the NE at approximately 15°, and the veins are primarily sub-vertical to steeply NW dipping. It is thought that the anastomosed vein system is part of a larger tectonic shear zone with associated secondary and tertiary tensional veins.

The three main veins on the Coricancha property include the Wellington, Constancia, and Animas veins. These veins define three structurally dislocated blocks from which a series of secondary and tertiary tensional veins split off. The veins are extensive and are known to extend over 4 km along strike and more than 1.5 km down dip.

Typically, the veins show Qtz-clay-pyrite argillic alteration, which extends up to 2.0 m into the footwall and hanging wall of the veins. The alteration does not contain any significant economic mineralization of note.

Coricancha is a polymetallic hydrothermal, brittle low sulphidation deposit hosted in the andesitic rocks of the Rímac Formation. The veins exhibit pinch-swell type behavior typical of hydrothermal systems found within compressional and extensional structural environments. Vein widths reach upwards of 2.0 m, with a mean width of approximately 0.6 m. The veins are known to split into two or more branches separated by waste rock materials.

The mineralization observed at Coricancha typically comprises the following: Pyrite (iron sulphide); Sphalerite (Zn sulphide); Galena (Pb sulphide); Chalcopyrite (Cu-Fe sulphide); Arsenopyrite (Fe-arsenic sulphide); Tennantite (Cu-As sulfosalt); Tetrahedrite (Cu-Fe-Zn-Ag antimony sulfosalt); Native Au; Native Ag; and Quartz.

6.A.12 Exploration

In 2021, due to limitations imposed on surface exploration by the topography, the Company drilled 5,219 metres underground with an objective to extend the mineralization on the main veins as discussed below.

6.A.13 Drilling

Prior to 2010 and Nyrstar's acquisition of Coricancha, no systematic drilling was performed on-site. However, some historical drilling was completed, primarily as short holes. Unfortunately, limited or no records exist related to this drilling. None of the pre-2010 drilling has been included in the geological database or geological model due to the lack of information and inability to confirm this data.

Since 2010, several drilling programs have been completed with the primary focus of verifying the lateral and depth continuity of the main veins including, Wellington, Constancia, Animas and Colquipallana. Nyrstar conducted three independent drilling campaigns in 2010, 2011 and 2013. Drilling programs were also completed in 2015 and 2016 in conjunction with Great Panther. From 2010 to 2016, a total of 83 diamond drill holes, totaling 28,197 m of NQ sized core (47.6 mm core diameter) have been

drilled within the Coricancha property boundaries. Drill holes were either drilled from surface or underground depending on the target and accessibility.

The drill program was completed in mid-November 2021 and focused on the Escondida, Wellington and Constanca veins. The results of the 5,219 metre exploration drilling program are being incorporated into a new resource model used to evaluate mine development options. The mineralization is shown to extend beyond the previously known limits and the drilling has opened up the targets both along strike and at depth.

6.A.14 Sampling, Analysis and Data Verification

The Coricancha core facility is a secure (gated and guarded) facility, with staff and security onsite. The core logging area was arranged to provide areas for logging, core splitting and sampling. Core is stored on covered core racks whilst awaiting logging and sampling; once sampled, the remaining unsampled core was carefully reorganized in the core box and the lids were returned to the boxes before they were transported to the secure core storage facility.

Drill core sampling is conducted in such a manner to ensure that all mineralized intervals are captured and sent to the lab for analysis. Sample intervals are defined such that they do not cross lithological boundaries, with a minimum sample length of 0.35 m and a maximum sample length of 1.5 m.

Core cutting and sample packaging was performed by the Company's core technicians under the supervision of its geologists. The sealed plastic sample bags were placed in large neoprene rice bags, sealed using zip ties, and labelled clearly to identify the final shipping destination. The full rice bags were stored in a secured and closed room within the core logging facility until a shipment batch was ready for transport. Only designated personnel have access to the storage room. Only employees of the geology area are involved with the sample preparation and sample delivery at the laboratory.

Nyrstar and Great Panther implemented a comprehensive analytical QA/QC program for the drilling and sampling programs, which included the insertion of blind certified reference material (CRM) standards, duplicates, and blanks to evaluate analytical precision, accuracy and potential contamination during the sample preparation and analytical process.

Underground chip samples (channel) are collected for grade control and for Mineral Resource estimation purposes. The sample length is defined according to the lithological breaks and vein continuity. Samples are collected from a 5 cm deep by 20 cm wide channel cut perpendicular to the vein direction. The material is typically chipped out of the channel in small fragments and collected into a maximum 2 kilogram ("kg") sample. To ensure representative grade continuity, samples are collected at a distance interval of every 10 m along the target vein.

Each 2 kg sample is sealed in a plastic sample bag with a sample tag and the number recorded in indelible ink on the outside of the bag. Sample bags are placed in rice bags and sealed with zip ties. QA/QC samples were inserted at prescribed intervals into the sample sequence and included with the sample shipment.

For both core and channel samples, a sample shipment form is prepared for each sample batch prior to shipping to SGS in Lima, detailing the included sample numbers per batch. At the laboratory, the sample list is verified against the received samples to confirm the shipment.

During the 2010 and 2011 drilling programs, Nyrstar sent samples to ALS and to SGS in Callao (Lima). As of 2013, all samples were sent to the SGS laboratory in Lima. The SGS laboratory is internationally accredited to ISO/IEC 17025 standard.

The data from drilling, logging and surface/underground sampling programs were reviewed and interpreted independently by Great Panther's senior geologist and by the Golder Qualified Person. Drill hole lithology and assay data was used to confirm the target intercepts and to reconcile against the surface and underground sampling.

It is the Coricancha Qualified Persons' opinion that the Nyrstar and Great Panther drilling, core logging and sampling programs were carried out according to appropriate professional methodologies and procedures, including those presented in the CIM Exploration Best Practice Guidelines (August 2000 edition).

6.A.15 Mineral Resource Estimates

The Mineral Resource Estimate for Coricancha has an effective date of December 20, 2017.

MINERAL RESOURCE ESTIMATE AS OF DECEMBER 20, 2017 - CORICANCHA

Measured

Mine	Tonnes	Au (g/t)	Ag (g/t)	Pb (%)	Zn (%)	Cu (%)	Ag eq g/t	Ag eq oz (million)
Constancia	270,336	6.2	219	2.36	3.44	0.43	1,064	9.24
Wellington	92,328	6.1	184	1.69	3.95	0.51	1,028	3.05
Escondida	15,362	0.9	279	0.28	1.35	3.20	832	0.41
Constancia East	16,315	6.0	143	1.97	2.16	0.11	836	0.44
San Jose	6,922	5.8	212	4.49	2.94	0.30	1,078	0.24
Colquipallana	2,944	3.4	220	3.67	5.26	0.21	995	0.09
Total Measured	404,207	5.9	210	2.16	3.43	0.54	1,037	13.47

Indicated

Mine	Tonnes	Au (g/t)	Ag (g/t)	Pb (%)	Zn (%)	Cu (%)	Ag eq g/t	Ag eq oz (million)
Constancia	218,545	6.0	188	2.09	3.08	0.34	968	6.80
Wellington	77,080	6.0	186	1.68	3.66	0.52	1,004	2.49
Escondida	21,406	1.0	238	0.24	1.08	2.84	733	0.50
Constancia East	18,636	5.8	137	1.93	1.95	0.11	798	0.48
San Jose	7,673	5.7	217	4.76	2.93	0.30	1,084	0.27
Colquipallana	5,215	3.4	207	3.31	5.14	0.19	953	0.16
Total Indicated	348,555	5.6	189	1.95	3.05	0.52	955	10.70

Inferred								
Mine	Tonnes	Au (g/t)	Ag (g/t)	Pb (%)	Zn (%)	Cu (%)	Ag eq g/t	Ag eq oz (million)
Constancia	532,422	5.3	215	1.71	3.29	0.40	950	16.25
Wellington	238,811	5.4	219	1.06	3.95	0.78	1,014	7.78
Escondida	96,926	2.2	208	0.26	2.24	1.90	751	2.34
Constancia East	49,234	5.7	125	1.66	1.57	0.21	760	1.20
San Jose	14,174	5.7	213	4.34	2.78	0.28	1,049	0.48
Colquipallana	11,592	3.7	117	2.98	3.15	0.15	743	0.28
Total Inferred	943,160	5.0	209	1.45	3.25	0.64	934	28.33

Notes:

1. Cut-offs are based on an estimated \$140 (NSR) \$/tonne.
2. Metal prices used to calculate NSR: \$1,300 per ounce (oz) Au, \$17.00/oz Ag, \$1.15 per pound (lb) Pb, \$1.50/lb Zn, and \$3.00/lb Cu.
3. Block model grades converted to USD value using plant recoveries of 92.1% Ag, 80.2% Au, 77.3% Pb, 82.6% Zn, 52.7% Cu.
4. Rock Density for Constancia: 3.3 t/m³, Wellington, Constancia East, Escondida, San Jose: 3.2 t/m³, Colquipallana: 2.9 t/m³.
5. Totals may not agree due to rounding.
6. Grades in metric units.
7. All currencies USD.
8. Ageq oz million is calculated from gpt data
9. $\text{AgEq g/t} = \text{Ag g/t} + (\text{Pb grade} \times ((\text{Pb price per lb/Ag price per oz}) \times 0.0685714 \text{ lbs per Troy Ounce} \times 10000 \text{ g per \%})) + (\text{Zn grade} \times ((\text{Zn price per lb/Ag price per oz}) \times 0.0685714 \text{ lbs per Troy Ounce} \times 10000 \text{ g per \%})) + (\text{Cu grade} \times ((\text{Cu price per lb/Ag price per oz}) \times 0.0685714 \text{ lbs per Troy Ounce} \times 10000 \text{ g per \%})) + (\text{Au grade} \times (\text{Au price per oz/Ag price per oz}))$.

The Mineral Resource estimate was completed using MicroMine 3D geological software, and the inverse distance cubed estimation technique was utilized in the estimation of grade to each of the blocks in the block models.

The Company's QA/QC program includes the regular insertion of blanks, duplicates, and standards into the sample shipments; diligent monitoring of assay results; and necessary remedial actions. Sample assaying was completed at the independent SGS in Lima, Peru. The gold was analyzed by fusion with 30 g fire assay and atomic absorption spectroscopy (AAS) finish, with the resulting values reported in parts per million (code FAA313). The remaining 52 elements were analyzed by mass spectrometry of inductively coupled plasma (ICPMS) and the resulting values were reported in parts per million (code IMC12B). Any gold results that exceeded the limit of detection were re-analyzed by fire assay with a gravimetric finish (code FAG303). Any silver results that exceeded the limit of detection (>10g/t) were re-analyzed by fire assay with a gravimetric finish (code FAG313). Any other metals that exceeded the limit of detection were re-analyzed by ICP-AAS (code AAS11B).

There are no Mineral Reserve estimates for Coricancha. Mineral Resources that are not Mineral Reserves have no demonstrated economic viability.

6.A.16 Mining Operations

Historical mining methods at Coricancha include cut and fill, shrinkage stoping and variations of rescue mining techniques. The latter method is highly selective and applied to maximize grade and minimize dilution in narrow vein mines. Mining methods will be the subject of future studies and will consider similar narrow vein methods of extraction.

In May 2018, the Company completed a PEA to evaluate the restart of Coricancha and completed a bulk sample program in 2019 to further test assumptions in the PEA (the "Bulk Sample Program" or "BSP") and continues to evaluate the conditions for a restart of Coricancha. The Company does not currently plan to complete a feasibility study in connection with any production decision due to (i) the existing

processing plant facility, (ii) the ability to continue on to development and production based on low initial capital costs, and (iii) the Company's knowledge of the mine and mineral resource base.

The PEA and BSP are preliminary in nature and include Inferred Mineral Resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as Mineral Reserves. There is no certainty that the results and conclusions of the PEA and BSP will be realized. Mineral Resources that are not Mineral Reserves have no demonstrated economic viability.

In the fourth quarter of 2019, the Company undertook a limited mining and processing campaign of approximately 25,000 tonnes. These activities were temporarily suspended following the Peruvian government-mandated restrictions associated with the National State of Emergency announced on March 16, 2020, in response to the COVID-19 virus, which was lifted on May 24, 2020. Subsequently, the Company resumed the processing campaign and in the fourth quarter of 2020, processed a total of 27,680 tons

6.A.17 Processing and Recovery Operations

The current mineral processing flow sheet at Coricancha includes base metal sulfide flotation to produce Pb, Zn, Cu and arsenopyrite concentrates. Also, differential flotation is used to separate the Au bearing arsenopyrite (AsPy) from pyrite (Py) with subsequent processing by BIOX® and CIL cyanidation for the recovery of Au and Ag. The most recent series of metallurgical test work was completed in 2009 by SGS Lakefield. The goal of the testing program was to optimize the process flow sheet, grind size and reagent scheme. Implementation of the SGS recommendations was completed before restarting plant operations in 2010. Operating data show that the changes were successful in improving the metal recovery, improving base metal concentrate grades, and increasing Au production.

Review of the most recent Coricancha operating data indicate that the metallurgical performance of the processing plant is very stable with metal recoveries and concentrate grades being very consistent. Owing to the presence of AsPy, arsenic (As) is present as a deleterious element in most of the flotation products.

The front end of the plant is a base metal polymetallic sulfide concentrator producing Pb, Cu, and Zn concentrates. The process plant was expanded to include production of an AsPy concentrate, which is treated via BIOX® to recover refractory Au via CIL technology. The original plant was designed and commissioned in 1999 to process 600 tpd of ore primarily from the Wellington and Constancia Veins. Operations have been intermittent since then and are currently under care and maintenance status. There are no major modifications or additions required to put the plant back into production.

The final tailings consist of the AsPy/Py flotation tailings, Py concentrate, neutralized BIOX® liquor sludge, CIL residue, and mine dewatering neutralization sludge. These are thickened using the tailings thickeners with the addition of flocculant before final dewatering in the tailings plate and frame filters. The tailings filter cake is shipped to the Chinchán TSF.

6.A.18 Infrastructure, Permitting and Compliance Activities

Coricancha is located next to the Central Highway, 90 km east of the city of Lima, adjacent to the Rímac River in an area known as Tamboraque. The mine area is situated near the confluence of the Rímac River and its tributary, the Aruri River. The project infrastructure covers the area of the mining concessions and has the following facilities:

- Crushing and grinding equipment;
- Flotation and bio-oxidation circuits;
- Access road to the mine;
- Historical TSF and waste storage areas;
- Electrical power supply and distribution for the plant and mine, along with power systems including transformers and electrical distribution cables from historical mining activities;
- Water and compressed air distribution systems;
- Utility water is available for the mine and plant;
- Communications Systems (internet based);
- Mine light rail haulage network;
- Camp and kitchen facilities for mine and plant personnel; and
- First aid facilities/Mine rescue equipment.

Future plans will consider the use of the existing facilities as well as the need for additional infrastructure.

Coricancha has all environmental permits and operation licenses required such as an environmental impact assessment ("EIA"), water supply licenses, mining effluents discharge authorization, certificate of inexistence of archaeological remains, and operation and concession licenses.

A recent environmental monitoring review identified some deficiencies which are being addressed as detailed below.

Cancha 1 and 2 TSFs represent the most important environmental and social risk for Coricancha. This is due to their location (130 m from Rímac River and 50 m above) and the fact that the Rímac River is a source for Lima's water. To manage that risk, following ground instability in 2008 above the tailings site, MEM ordered the tailings removed and transferred from Cancha 1 and 2 to Chinchán TSF (Phase I and II). To date, a significant portion of the tailings has been removed. The Company has sought approval of a modification to the remediation plan from MEM in accordance with the recommendations of an independent consultant to leave the remainder of the tailings in place to preserve the stability of the hillside. In addition, as part of the purchase of Coricancha, the Company has an agreement with Nyrstar and their parent company (at the time of the acquisition, Nyrstar N.V. and subsequently replaced by NN2 Newco Limited) for the reimbursement of the cost of these reclamation activities.

The Company is seeking approval of a modification to a remediation plan from the MEM in accordance with the recommendations of an independent consultant to preserve the stability of nearby areas by reclaiming the legacy tailings in situ. The Company has changed the scheduling of the reclamation work, pending a decision from the MEM regarding the proposal to modify the approved remediation plan.

In August 2018, to protect itself from any pending or future fines, penalties, regulatory action or charges from government authorities while the Company awaited MEM to issue a decision on the proposed modification to the remediation plan, the Company initiated a constitutional case and was successfully awarded an injunction to prevent fines and penalties until MEM issues its decision. The constitutional case sought Peruvian Judiciary orders that: (i) the MEM issue a decision on the Company's proposed modified Coricancha Mine Closure Plan; and (ii) the Environmental Evaluation and Oversight Agency ("OEFA") and the Supervisory Organism of Investment in Energy and Mines ("OSINERGMIN") refrain from requesting the Company to move the Cancha 1 and 2 tailings while the MEM issues its decision. In January 2021, the Peruvian Judiciary dismissed the Company's constitutional lawsuit in connection to (ii) above and requested that the MEM issue the technical report evaluating the Closure Plan of the

Company within two months. However, on March 5, 2021, the Company appealed the constitutional case decision. While the appeal has not been resolved, on June 10, 2021, the injunction obtained by the Company regarding this constitutional case was cancelled, which exposes the Company to potential fines, penalties, regulatory action or charges from government authorities. As a result of the exposure to fines, the Company has been running a dual strategy to continue to push for amendment of the Closure Plan and in parallel, to review the current stability of the Cancha 1 and 2 tailings. The Company has engaged a consultant to complete the engineering work and develop an engineered tailings removal operating plan and closure plan for Canchas 1 and 2. The Company is also continuing to engage with the MEM to reach a conclusion regarding the Modified Mine Closure Plan. However, given the unsettled political environment in Peru including multiple changes in leadership at the MEM, there can be no assurance that a resolution can be reached in a timely manner.

For a discussion of key risks concerning Coricancha, see Section 8.A.7 of this AIF under the headings *"Risk Factors - Political Risk and Government Regulations"* and Section 8.C.7 *"Risk Factors - Risks Associated with the Coricancha Acquisitions"* and other risks set forth herein.

Other historical tailings storage locations in the area include Triana (which is approximately 5 m above the Rímac River) and Mayoc (which is approximately 1.3 km from Coricancha). The Triana site has been closed with high density polyethylene and is buttressed with a new upgraded concrete retaining wall, and the deposit itself may require resurfacing work in the future. Mayoc tailings were removed from the area and the site is currently under rehabilitation and remediation.

The location of tailings in the vicinity of the primary waterways and water sources, the regional seismic and atmospheric conditions, and the related past environmental, legal, and social issues, combine to form the most significant risk to the project and its future development, and which is continually under review for assessment and control.

7. PRIMARY EXPLORATION PROPERTIES

The Company has three primary exploration projects in Mexico, El Horcón, Santa Rosa and Plomo. Given the proximity to the GMC, mineralization from both these projects could conceptually be trucked to and processed at the Cata processing plant.

Considering that El Horcón and Santa Rosa could in future form part of the GMC's operations, the information for these properties (as disclosed in this section of the AIF) is contained in the 2017 GMC Technical Report. Portions of the following information are based on assumptions, qualifications and procedures which are not fully described herein. The information below is presented in summarized form and reference should be made to the full text of the 2017 GMC Technical Report which is available for review under the Company's profile on SEDAR located at www.sedar.com.

7.A. EL HORCÓN PROJECT

7.A.1 Property Description and Location

The El Horcón Project is situated north of the city of Leon (Guanajuato State), in the state of Jalisco, Mexico, approximately 470 km northwest of Mexico City. The 16 claims expire between 2051 and 2056. There are no known environmental liabilities associated with the mineral claims.

On December 6, 2017, the Company filed an application to reduce the land holdings in the area; specifically, to cancel the Horcón 4 Fraccion 1 concession. After dropping the Horcón 4 Fraccion 1

concession, the Company retains 15 contiguous claims and one isolated claim, totalling 3,520.72 hectares. The official resolution related to this application is pending.

The principal metals of interest are gold, silver, lead, and zinc. Mineralization occurs along structures, the largest of which is the Veta Madre with a strike length of 5 km.

7.A.2 History

The earliest known exploitation of veins on the El Horcón Project area was conducted by the Jesuits, during the Spanish reign, from the late 1500's to their expulsion from Mexico in 1767. No production records are available, and various shallow southwest dipping veins were mined all to the immediate northeast of Great Panther's drilling. Minor amounts of exploitation have been conducted, both by drifting along the veins and by stoping, on the Diamantillo and San Guillermo veins (including but not limited to the El Horcón, La Luz and Diamantillo underground access tunnels).

In 1932, a mining engineer Charles E. Pouliot, completed a mining study and evaluation of pillars, fill and remaining portions of the Diamantillo, San Guillermo and veins exploited by the Jesuits. It is not known if exploitation ensued. During the latter part of the 20th century, several bulk samples were shipped to various mills for metallurgical evaluation of the sulfide rich veins.

A number of academic geological studies were completed in the late 20th century by the Mexican Geological Survey. In 2004 and 2005, Mauricio Hochschild Mexico ("MHM") conducted significant geological, structural, and geochemical studies on the veins of the Comanja area, followed by drilling of 12 core holes totalling 3,570 m. In 2008 and 2009, Exmin Resources Inc. ("Exmin") conducted further geological and geochemical studies, including underground mapping and sampling, and core drilling (5 holes totaling 1,052 m) in an effort to move the project to exploitation, without success.

The Company purchased 100% of the El Horcón Project in 2012, which included most of the exploited veins mentioned above, except for certain internal claims covering portions of the veins.

7.A.3 Geological Setting and Mineralization

The El Horcón Project area is underlain by Mesozoic marine sediments and predominantly mafic submarine lava flows, of the La Luz and Esperanza Formations; these are weakly metamorphosed and intensely deformed. This basal sequence is cut by a variety of intrusive bodies ranging in composition from pyroxenite to granite with tonalitic and dioritic intrusive being the most volumetrically significant.

Cenozoic volcanic and volcanogenic sediments unconformably overlie the Mesozoic basement rocks. In the area, the oldest Cenozoic unit is the Paleocene Comanja granite. This was followed by the Eocene extrusion of andesite which was sporadically deposited and contemporaneous with the deposition of the Guanajuato conglomerate in localized grabens. The Guanajuato conglomerate underlies an unconformity beneath a sequence of felsic to mafic volcanic rocks that consists of Oligocene ignimbrites, lava flows and domes.

Within the El Horcón Project area quartz-dominated veins follow fractures and faults and are hosted within the Comanja granite, as well as the surrounding Mesozoic meta-volcanic and meta-sedimentary rocks.

The vein system at El Horcón is a quartz-chalcedony-dominated, structurally controlled, epithermal system hosted by Paleocene Comanja granitic rocks and Mesozoic low-grade metamorphic

metasedimentary / metavolcanic basement and consists of three principal vein sets that formed in faults and extension fractures.

- NW-striking, SW-dipping veins with dips generally ranging from 45°-70°+,
- NW-striking, SW-dipping low-dip veins (20°-30°), and
- NE-striking generally steep transverse veins.

Gangue minerals associated with the quartz veining include minor fluorite, hematite, chlorite, calcite, and pyrite, while minerals of economic interest include galena (lead), sphalerite (zinc), and minor chalcopryite (copper). Petrographic work by MHM indicates that silver is present as acanthite. This undated (likely 2005) MHM report (un-acknowledged author) also indicated four stages of Phase 1, and three stages of Phase 2 vein mineralization. Phase 1 includes base metal and precious metal introduction into the vein structures (gold minerals unknown), while Phase 2 stages include calcite and further barren quartz. Beside silicified cataclastic quartz breccia (sealed fault structures), the quartz-chalcedony shows typical epithermal coliform textures.

The primary vein structures on the El Horcón Project include the Diamantillo, San Guillermo, El Ratones, Madre, Crucero, Del Alto, and Alaska veins. Based upon assay results from the channel samples across the surface expressions of these veins, vein widths, and underground exposures by Exmin, MHM, and the Company, it was decided to focus the initial core drill-hole program on the Diamantillo and San Guillermo veins. The narrow Natividad and Diamantillo HW veins were found both from drill site preparation and core drilling. The veins extend in a NW-SE orientation for approximately 7 km in strike and across approximately 2.5 km in width.

7.A.4 Exploration

Exploration work conducted by the Company has consisted of an initial thorough re-evaluation of the project by geological mapping, vein re-sampling both on surface and of all accessible underground openings in 2012-2013 (1,623 samples), followed by a surface core diamond drilling program of 24 drill holes totalling 2,160 m (1,177 samples). In 2018, a mapping and sampling surface campaign was completed (558 samples). The mapping is intended to define alteration and geochemical anomalies along veins previously unmapped and sampled by the Company, while fully exploring the potential of the project.

7.A.5 Drilling

Diamond drilling at El Horcón was conducted by the Company's exploration staff. The exploration drilling was conducted on 50-100 m spaced sections, with one to three holes drilled per section, as well as at approximately 50 m spacing vertically between holes. The Company's 2013 drilling was focused from surface to approximately 100 m below surface along a strike length of 650 m.

The Company's Phase 1 drill-holes completed from mid-April to mid-June 2013 are prefixed by EH13 and include holes 1-24. Only the relevant MHM drilling was used in the Mineral Resource estimation (no records for the Exmin drilling). The drill contractor for the Company was G4 Drilling based in Hermosillo, Sonora.

The management, monitoring, surveying, and logging of the 2013 series "EH13" prefix exploration holes was carried out under the supervision of the Company's exploration geological staff.

Procedures related to sample and geological data integrity are consistent with those described for the Guanajuato Mine.

7.A.6 Sample Preparation, Analyses and Security

The drill core samples were prepared by technicians working under the direction of the Exploration Department geologists. The exploration diamond drill core was HQ diameter.

All of the analytical work was completed by SGS and the quality control measures, and data verification procedures are consistent with those described for Guanajuato.

7.A.7 Mineral Resource Estimates

Mineral Resources were estimated from four area-specific block models. A set of wireframes representing the mineralized zones served to constrain both the block models and data subsequently used in Inverse Distance Cubed (ID3) Au, Ag, Pb, and Zn grade interpolation. The effective date of the estimate is August 31, 2016.

There are no known environmental, permitting, legal, title, taxation, socio-economic, marketing, political or other factors that could materially affect the Mineral Resource estimates detailed in this report.

MINERAL RESOURCE ESTIMATE AS OF AUGUST 31, 2016 – EL HORCÓN

Vein	Tonnage (tonnes)	Ag (g/t)	Ag (oz)	Au (g/t)	Au (oz)	Pb (%)	Zn (%)	Ag eq (g/t)	Ag eq (oz)
Diamantillo	109,649	89	313,468	3.04	10,705	3.11	4.62	398	1,403,358
Diamantillo HW	4,781	54	8,269	4.59	706	2.65	0.47	459	70,518
Natividad	6,038	136	26,347	3.03	587	1.74	0.13	403	78,139
San Guillermo	41,672	37	50,011	4.44	5,943	1.75	2.53	404	540,899
Total Inferred	162,140	76	398,095	3.44	17,941	2.69	3.79	401	2,092,914

15. Notes:

1. \$110/tonne NSR Cut-off.
2. Silver equivalent was calculated using a 70 to 1 ratio of silver to gold value.
3. Rock Density for all veins for Diamantillo is 2.77 t/m³, San Guillermo 2.78 t/m³, Diamantillo HW is 2.62 t/m³, Natividad 2.57 t/m³.
4. Totals may not agree due to rounding.
5. Grades in metric units.
6. Contained silver and gold in troy ounces.
7. Minimum true width 1.5 m.
8. Metal Prices: \$18.00/oz silver, \$1,300/oz gold and \$0.80/lb lead.
9. Ag eq (g/t) and Ag eq (oz) use only Au, Ag and Pb values.

7.A.8 Mineral Reserve Estimates

There is no Mineral Reserve estimate for the El Horcón Project.

7.A.9 Mining Operations

The mining method considered when estimating the Mineral Resource is standard cut and fill with waste provided by the development.

7.A.10 Infrastructure, Permitting and Compliance Activities

The El Horcón Project is situated along the eastern side of the Sierra Guanajuato mountain range and is accessible via a rough access road 10 km north of Comanja, Jalisco. Comanja is a small village and has a

population of approximately 500 people and is located within 40 km, by road, of an international airport at León, Mexico.

In 2017, the Environmental Assessment Manifest and Change of Land Use applications were approved by SEMARNAT. These authorizations allow the future exploration and exploitation on the property.

7.A.11 Exploration and Development

During July and August of 2016, a program of detailed surface geological mapping (1:500 scale) was continued, along with rock sampling of prospective veins approximately one km southeast along the trends of the Diamantillo / Madre veins. Vein swarms and stockwork were noted with generally weakly anomalous gold, silver, lead, zinc and copper values.

During 2018, work included finalizing the details on the SEMARNAT application regarding exploration and exploitation permits and a work program that included additional surface mapping and sampling to prioritize targets for possible follow-up drilling. No exploration was completed at El Horcón in either 2019 or 2020.

7.B. SANTA ROSA PROJECT

In 2011, the Company purchased a 100% interest in the Santa Rosa silver-gold property in Guanajuato State, Mexico, for total consideration of \$1.5 million in cash.

7.B.1 Property Description and Location

The Santa Rosa Project includes a cluster of non-contiguous mineral claims to the northeast of Guanajuato. Most cover segments of historically known veins within the Sierra vein system, as well as one claims located further north staked more from a regional conceptual nature.

The six mineral claims comprise an area of 5,756.74 hectares and expire between 2040 and 2064. There are no known environmental liabilities associated with the mineral claims.

The claims of the Santa Rosa Project are situated along the eastern side of the Sierra Guanajuato mountain range, northeast of Guanajuato, Guanajuato.

7.B.2 History

The core of the Santa Rosa Project claims covers vein exposures along the Sierra vein system, along the eastern flank of the central Veta Madre vein. Minor amounts of pitting, short adits, and shallow vertical shafts have been completed with a minor amount of vein exploitation. No records are available as to these activities. The Company completed due diligence sampling during 2011 and purchased the Santa Rosa claims during the same year. The Cañada de la Virgen claim was part of the Cooperative claim block (Guanajuato Mine) purchased by the Company in 2005.

7.B.3 Geological Setting and Mineralization

The stratigraphy of the area presents to the Company basement rocks of the older units including Mesozoic age La Luz and La Esperanza Formations. These formations consist of meta-sedimentary sequences, including shale, andesite and felsic dykes deformed and folded by regional metamorphism. Upper volcanic package rocks in concordant contact include a sequence of the lithic tuff, ignimbrites, and also in some place's rhyolite dykes and jasperoids. The area generally presents a strong NW structural orientation, with normal faults and a dextral component.

In the second phase of exploration (July 2014), detailed mapping was completed in the Cañada de la Virgen claim and in the Virgin vein development tunnel. The Virgin vein structure with minor quartz is oriented around 320-330° with a dip of 35-45°NE, and an average width of 0.50 m. The vein, inside the tunnel, occurs at the contact of a diorite dike. On surface, there are two separate structures enveloping a quartz stockwork hosted in the meta-sedimentary rocks. The tunnel is 60 m long and there are several inclined shafts where mineralization has been extracted. The wall-rock of the Virgin vein, which outcrops for 400 m, shows propylitic alteration along its length. Host rocks include lithic tuffs, ignimbrites, and associated dykes.

Another vein structure identified during the mapping extends for more than 600 m and is exposed in the Salaverna North tunnel. It is a vein structure of 0.40 m width, with strong silicification and hosted in the meta-sedimentary package. The vein structure, when it reaches the upper rhyolite volcanic rocks becomes a stockwork with hematite, limonite, clays, and fine disseminated pyrite.

7.B.4 Exploration

In the first stage of the Company's exploration (2012) on the Cañada de la Virgen claim, a total of 168 rock samples from surface, and 537 core samples from the five diamond drill holes were collected.

During the second stage of the Company's exploration (2014), a total of 140 samples were taken from surface and underground.

7.B.5 Drilling

During 2012, five core holes (HQ) were completed on the Santa Rosa Project, specifically on the Cañada de la Virgen claim. In 2017, a second drilling program comprising five core holes (HQ) was completed on the Cañada de la Virgen area. No results of economic significance were encountered in either program.

7.B.6 Sample Preparation, Analyses and Security

The drill core samples were prepared by technicians working under the direction of the Exploration Department geologists. The exploration diamond drill core from Santa Rosa was of HQ diameter.

All the analytical work was completed by SGS and the quality control measures, and data verification procedures are consistent with those described for Guanajuato.

7.B.7 Mineral Resource Estimates

There is no Mineral Resource estimate for the Santa Rosa Project.

7.B.8 Mineral Reserve Estimates

There is no Mineral Reserve estimate for the Santa Rosa Project.

7.B.9 Mining Operations

The Santa Rosa Project is exploration in nature and no mining methods have been defined.

7.B.10 Infrastructure, Permitting and Compliance Activities

The southern claims of the Santa Rosa Project are accessible via road access 20 km northeast of Guanajuato. The city of Guanajuato is serviced by an international airport located on the outskirts of

Silao, a 30-minute drive on a toll road from Guanajuato. The more northerly claims in the Santa Rosa Project are located nearer the town of San Felipe, an 80 km drive north of Guanajuato by paved road. Access to local resources is provided within the city of Guanajuato and the town of San Felipe.

7.B.11 Exploration and Development

A work program consisting of 960 m of surface man-portable rig core drilling and associated trail building was completed in 2017. No significant results were returned from this drilling.

The Company has no program planned for 2022.

7.C. PLOMO PROJECT

7.C.1 Property Description and Location

The Plomo Project which is located in NV Sonora State, Mexico consists of the Plomo and Plomo II mineral claims which total 4,279ha in NW Sonora State, Mexico. The Plomo Project is 100% owned by Great Panther Mining Ltd., through its wholly-owned Mexican subsidiary, Coboro Minerales De Mexico S.A. de C.V.

7.C.2 Geological Setting, Mineralization and Deposit Type

The geological setting of the northern Sonora desert is similar in many aspects to that of south eastern California and south western Arizona. The region, typical of the southern basin and range physiographic province is characterized by elongate, north west trending ranges, separated by wide alluvial valleys. Basement rock in the area include Precambrian gneisses, metamorphosed andesites, and granites. These rocks are overlain by younger Proterozoic quartzites and limestones, Paleozoic and Mesozoic carbonate rocks, and Mesozoic volcanic rocks. The Sonora-Mojave mega-shear appears to be a major fault which juxtaposes the Precambrian basement against the Jurassic magmatic terrane. The nature of movement along the shear is uncertain but may be 800km of left-lateral movement during the middle Jurassic time.

The Plomo geology is represented by volcanic/volcaniclastic and intrusive rocks that belong to the Jurassic magmatic arc, with mineralized zones controlled by low angle shear structures. To a large extent the upper plate rhyolite volcanic rock and mineralized shear has been eroded, leaving only remnants of the mineralized shear, and underlying lower plate mafic volcanic rocks. This interpretation comes out of several campaigns of geological mapping culminating in 2012 (described below) and a geochemistry program. A further drill program would test the mineralized shear zone by drilling through several remnant areas of upper plate rocks through the mineralized and altered shear, and into the lower plate volcanic rocks.

7.C.3 Exploration and Drilling

The Plomo project lies in one of the most prospective gold mineralized areas in Sonora, the Altar gold belt. The region hosts the La Herradura gold mine, held by Grupo Peñoles and Newmont. In 2007, a regional sampling and mapping program was conducted in an approximately five km long and two km wide area, resulting in discovery of several gold anomalous areas in hematite-tourmaline mineralized low angle shear zones. Within this widespread gold anomaly five gold anomalous areas were identified.

In 2008, a first phase drilling program (ten core holes totaling 1,498m) tested these anomalies. Ten diamond drill-holes were completed along a five km long trend. All the holes cut altered low angle shear zones except for one hold located at the Banco de Oro anomaly. Six of the ten holes intersected at least one intercept of two metres with geochemically anomalous gold concentrations.

In 2012, a property wide geological mapping, rock and stream silt sampling program took place to better understand the geology and structures considering the 2008 drilling. This work led to the present understanding of the geology and importantly the flat lying altered and gold mineralized shear between upper "plate" rhyolites and lower "plate" dominate mafic volcanic rocks. The sericite-quartz-tourmaline-hematite sheared small hills in the Pavoreal area, drilled in 2008, have been re-interpreted as remnant vestiges of the flat lying shear. Great Panther is targeting drilling remaining areas of shear located below areas of altered rhyolite upper plate rock.

In 2021, the Company carried out mapping primarily focused on the Pavoreal area but also including the other prospective trends, identified in previous exploration. Mapping combined with interpretation of multi-element rock geochemistry improved definition and allowed prioritization of the zones. Work was suspended in November and is expected to be re-initiated in mid-2022 prior to surface drill testing.

7.C.4 Mineral Resource Estimates

There is no Mineral Resource estimate for the Plomo Project.

7.C.5 Mineral Reserve Estimates

There is no Mineral Reserve estimate for the Plomo Project.

7.C.6 Mining Operations

The Plomo Project is exploration in nature and no mining methods have been defined.

8. RISK FACTORS

The operations of the Company are characterized by a number of risks inherent to the global economy, the nature of the mining industry and to the nature of the Company's business in particular. The following risk factors, as well as other risks discussed in this AIF, could materially affect the Company's future operating results and could cause actual events to differ materially from those described in forward-looking statements relating to the Company. These risks and uncertainties are not the only ones faced by the Company. Additional risks and uncertainties not presently known to management or that management currently consider immaterial may also impair the Company's business operations. If any of these events actually occur, the Company's business, prospects, financial condition, cash flow and operating results could be materially harmed. Before deciding to invest in securities of the Company, investors should carefully consider such risks and uncertainties.

8.A. GLOBAL RISK FACTORS

8.A.1 Metals and Mineral Prices Are Subject to Wide and Unpredictable Fluctuations

The market prices of precious metals and other minerals are affected by various forces beyond the Company's control, including global supply and demand, interest rates, exchange rates, inflation or deflation and the political and economic conditions of major gold producing countries. If the prices of

precious metals and other minerals drop significantly, the economic prospects of the Company's operating mines and projects could be significantly reduced or rendered uneconomic. There is no assurance that even if commercial quantities of ore are discovered, a profitable market may exist for their sale. Mineral prices have fluctuated widely in recent years. The marketability of minerals is also affected by numerous other factors beyond the control of the Company, including government regulations relating to royalties, allowable production and importing and exporting of minerals, the effect of which cannot be accurately predicted.

The Company's objective is to generally remain unhedged with respect to gold and silver prices. However, the Company may enter into hedging arrangements from time to time and fluctuations in metal prices may result in derivative losses and liabilities in respect of these arrangements. Correspondingly, a failure to hedge may expose the Company to the risk of price decreases for gold and silver which could significantly impact the Company's cash flow from operations and adversely affect its ability to make debt repayments when due.

8.A.2 Global Financial Market Conditions

Global financial markets from time to time become volatile or unstable and can have a profound impact on the global economy. Many industries, including the mining sector, are impacted by periods of financial market turmoil. Key impacts can include the contraction of credit markets resulting in a widening of credit risk, devaluations and high volatility in global equity, commodity, foreign exchange and precious metal markets and a lack of market liquidity. These factors may adversely impact the trading price of the Company's securities, the ability of the Company to obtain equity or debt financing and, if available, to obtain such financing on terms favourable to the Company.

8.A.3 Inflation in Brazil

In the past, high levels of inflation have adversely affected the economies and financial markets of Brazil, and the ability of its government to create conditions that stimulate or maintain economic growth. Moreover, governmental measures to curb inflation and speculation about possible future governmental measures have contributed to the negative economic impact of inflation in Brazil and have created general economic uncertainty. As part of these measures, the Brazilian government has at times maintained a restrictive monetary policy and high interest rates that have limited the availability of credit and economic growth. Brazil may experience high levels of inflation in the future. Inflationary pressures may weaken investor confidence in Brazil and lead to further government intervention in the economy, including interest rate increases, restrictions on tariff adjustments to offset inflation, intervention in foreign exchange markets and actions to adjust or fix currency values, which may trigger or exacerbate increases in inflation, and consequently have an adverse impact on the Company. If Brazil experiences high levels of inflation in the future, and there is no corresponding adjustment to the Brazil exchange rate, the Company's Brazilian cost structure could rise in US dollar terms, which could adversely affect the Company's results of operations or financial condition.

8.A.4 Fluctuations in the Price of Consumed Commodities

Prices and availability of commodities or inputs consumed or used in connection with exploration, development and mining, such as natural gas, diesel, oil, electricity, and reagents fluctuate and affect the costs of production at the Company's operations. These fluctuations can be unpredictable, are beyond the control of the Company, can occur over short periods of time and may have a materially adverse impact on operating costs or the timing and costs of various projects.

8.A.5 Fluctuation in Foreign Currency Exchange Rates

The Company maintains bank accounts in Canadian, US, Australian, Mexican, Brazilian and Peruvian currencies. The Company earns revenue in US dollars while its costs are incurred in local currencies such as the Canadian dollar, Australian dollar, Mexican peso, Brazilian real and Peruvian sol. An appreciation of these local currencies against the US dollar will increase operating, financing and capital expenditures as reported in US dollars. A decrease of these local currencies against the US dollar will result in a loss to the Company to the extent that the Company holds funds in such currencies.

8.A.6 COVID-19 and Other Pandemics

Since the outbreak of COVID-19 in late 2019, COVID-19 has had a negative impact on global financial conditions and has resulted in restrictions in the flow of labour, services and production in all of the Countries where the Company operates and has offices. A sustained slowdown in economic growth could have an adverse effect on the price and/or demand for gold. Although there were no material operational impacts from COVID-19 in 2021 such as a turndown or shutdown in operations, COVID-19 has had on the mental and physical health of the Company's employees and contractors, including by the limitations it has placed on movement, availability of food and other goods. The Company's suppliers and service providers have also been impacted through limited availability of labour, suppliers, equipment, customers and distribution channels. In Mexico, the Company's ability to obtain required permits from the permitting authority CONAGUA was significantly impacted by reduced working hours in 2020 and 2021. In Tucano, COVID-19 was a factor in supply chain disruptions that impacted contractor equipment availability and contributed to lower production in 2021. The Company's ability to conduct exploration and development programs was also impacted in 2021 due to COVID-related restrictions, protocols, and travel restrictions.

The extent to which COVID-19 will continue to impact the Company's operations will depend on future developments which are highly uncertain and cannot be predicted with confidence. The Company expects that its operations will continue to be impacted by comprehensive COVID-19 protocols in 2022, which would increase costs and restrict throughput levels, and that it will continue in 2022 to experience disruptions to its operations due to workforce shortages and the unavailability of contractors and subcontractors. Any sustained shut-down or significant curtailment to the Company's operations will have a material adverse impact on the Company's production, revenues and financial condition and may materially impact the Company's ability to meet its production guidance.

The Company may experience delays and disruptions in carrying out its planned near mine and regional exploration plans at Tucano which may in turn delay the expansion of its mineral resource base. Further, there is no assurance that exploration and development activities relating to Urucum underground mine will not have to cease at some point during 2022 for reasons related to COVID-19 including company or government-imposed restrictions.

The Company's ability to continue with its operations and activities, or to successfully maintain its operations on care and maintenance if so required, or to restart or ramp-up any such operations efficiently or economically, or at all, is unknown. Interruption of supplies and the provision of services from third parties upon which the Company relies, for any reason including industry closures relating to containment of COVID-19 which could result in the declaration by the Company's suppliers of force majeure in contracts or purchase orders, may result in the Company's inability to complete projects in a timely manner. In addition, the Company's customers may determine to delay their decisions in connection with new projects as they assess the impact of COVID-19 on their businesses. The Company

may experience disruptions in transportation services as a result of COVID-19 that could adversely impact the Company's ability to deliver gold doré to refineries.

Regulatory agencies the Company works with have been impacted by work-from home and other industry closures. As a result, the Company has also experienced delays in 2021 and expects in 2022 it will continue to be impacted by delays, in receiving permits and regulatory responses which could adversely impact its operations and exploration and development plans.

Moreover, the continued presence of, or spread, of COVID-19, and any future emergence and spread of COVID-19 mutations or other pathogens, globally would likely have material adverse effect on both global and regional economies, including those in which the Company operates, as has been seen already. Such effects would not only affect the Company's business and results of operations, but also the operations of its suppliers, contractors and service providers, including smelter and refining service providers, and the demand for its production. COVID-19 could also negatively impact stock markets, including the trading price of the Company's shares, adversely impact the Company's ability to raise capital, cause continued interest rate volatility and movements that could make obtaining financing or refinancing the Company's debt obligations more challenging or more expensive (if such financing is available at all), and result in any operations affected by COVID-19 becoming subject to quarantine or shut down. Any of these developments, and others, could have a material adverse effect on the Company's business, results of operations and financial condition.

If the Company's operations are impacted or expected to be impacted, the Company may undertake measures to preserve cash resources including suspension of discretionary spending and other legal means to reduce and minimize contractual spending. However, any extended suspension of operations may ultimately impact on the Company's ability to repay its debt obligations and other creditors, with the result that the Company's financial position may be seriously jeopardized.

8.A.7 Political Risk and Government Regulations

The Company's mining, exploration and development activities are focused in Brazil, Mexico and Peru, and are subject to extensive national and local laws and regulations governing prospects, taxes, labour standards, employee profit sharing and occupational health and safety, including mine safety, land use, environmental protection, including biodiversity, and water, soil and air quality, permitting, management and use of toxic substances and explosives, management and use of natural resources, including water and energy supplies, management of waste, exploration, development, production, and post-closure reclamation of mines, imports and exports, transportation, community rights, human rights, social matters, including historic and cultural preservation, engagement and consultation, local hiring and procurement, development funds, anti-corruption and anti-money laundering, data protection and privacy and others which currently or in the future may have a substantial adverse impact on the Company. To comply with applicable laws and future laws, the Company may be required to make significant capital or operating expenditures or face restrictions on or suspensions of the Company's operations and delays in development of the Company's properties. There is no guarantee that more restrictive, or new constraints on the Company's operations will not be imposed, including those that might have significant economic impacts on the Company's operations and profitability. In addition, the regulatory and legal framework in some jurisdictions in which the Company operates are outdated, unclear and at times, inconsistent. A failure to comply with these laws and regulations, including with respect to the Company's past and current operations, and possibly even actions of parties from whom the Company acquired its mines or properties, could lead to, among other things, the imposition of substantial fines, penalties, sanctions, the revocation of licenses or approvals,

expropriation, forced reduction or suspension of operations, and other civil, regulatory or criminal proceedings the extent of which cannot be reasonably predicted.

Existing and possible future environmental legislation, regulation and action could cause additional expense, capital expenditures, restriction and delays in the activities of the Company, the extent of which cannot be reasonably predicted. Violators may be required to compensate those suffering loss or damage by reason of the Company's mining activities and may be fined if convicted of an offence under such legislation.

Mining and exploration activities in the countries where the Company operates may be affected in varying degrees by political instabilities and government regulations relating to the mining industry or business activities in general. Any changes in regulations or shifts in political conditions are beyond the Company's control and may adversely affect the business. Operations may also be affected to varying degrees by government regulations with respect to restrictions on production, price controls, export controls, income taxes, expropriation of property, environmental legislation and mine safety. The status of Brazil, Mexico and Peru as developing countries may make it more difficult for the Company to obtain any required financing for projects. The effect of all these factors cannot be accurately predicted. Notwithstanding the progress achieved in improving Brazilian, Mexican and Peruvian political institutions and in revitalizing their economies, the present administrations or any successor governments may not be able to sustain the progress achieved. The Company does not carry political risk insurance.

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. The addition of new taxes, specifically those aimed at mining companies, could have a material impact on the Company's operations and will directly affect profitability and the Company's financial results. The economic impact of COVID-19 on the global and national economies, the resulting costs to governments and increased fiscal debt is also expected to result in further taxation pressures, the impacts of which could impact the Company's financial performance. For a discussion of recent legal reforms proposed in Mexico, see Section 4.F of this AIF under the heading *"Doing Business in Brazil, Mexico and Peru – Mining in Mexico"*. For more detailed discussion of the risks related to COVID-19 on the Company's business, see Section 8 of this AIF under the heading *"Risk Factors - COVID-19 and Other Pandemics"*.

In 2021, the Company has been impacted by a number of the risks described above. In Peru, political instability and a change in government regimes has further delayed the Company's ability to obtain approval for a Modified Mine Closure plan that will dictate the path forward on reclamation of legacy tailings facilities. In addition, on August 18, 2021, the Peruvian government introduced a new Mine Closure Law (Law No. 31347). The new law contemplates increases to the mine closure bond requirement applicable to all mining companies in Peru. Whereas previously companies were required to provide bonds to cover "Final" and "Post-Closure" stages of the Mine Closure Plan, under the amended law the bonding requirement is inclusive of "Progressive Closure" costs (i.e., closure activities during the operation of the mine) for the main components of the mine. In January 2022, draft regulations were published and allowed for a comment period from the mining industry. The Petroleum and Energy Society prepared a consolidated response to the regulations, to which the Company submitted comments. Prior to publication of the new regulations, the Company cannot estimate with

certainty the amount or timing of incremental closure bond requirements for Coricancha or the impact of such requirements on the Company's liquidity.

GPC received notice from SUNAT, the Peruvian tax authority, that SUNAT intends to hold GPC jointly liable with respect to the unpaid taxes of a leasing company that sold the Coricancha mining assets to GPC in March 2006, prior to the Company's acquisition of Coricancha effective June 30, 2017. The SUNAT claim is for unpaid taxes and related fines of the taxpayer, which is not an affiliate of the Company, from its 2001 tax year, together with related fines. The amount claimed is approximately \$20 million. For more detailed discussion of these risk factors, see Section 8.C.7 of this AIF under the heading "Risks Associated with the Coricancha Project". In Mexico, the Company's Guanajuato mine and the Cata processing plant were placed on care and maintenance in November 2021 and mining activity at the San Ignacio mine was also suspended while the Company continues to proactively engage with CONAGUA in regards of the tailings dam permit. For more detailed discussion of these risk factors, see Section 8.C.4 of this AIF under the heading "*Risks Associated with Obtaining and Complying with Tailings and Other Permits*".

8.A.8 Climate Change

Extreme weather events (for example, prolonged drought or the increased frequency and intensity of storms) have the potential to disrupt the Company's operations and the transportation routes that the Company uses. The Company's ability to conduct mining operations depends upon access to the volumes of water that are necessary to operate its mines and processing facilities. Changes in weather patterns and extreme weather events, either due to normal variances in weather or due to global climate change, could adversely impact the Company's ability to secure the necessary volumes of water to operate its facilities.

The Coricancha mine has in the past experienced damage from flooding during periods of excessive rain. In Brazil, higher than average seasonal rain has contributed to slope instability in the Company's UCS open pit, which has resulted in a temporary suspension of pushback activities in the pit until drier conditions prevail. Increased precipitation, either due to normal variances in weather or due to global climate change, could result in flooding that may adversely impact mining operations and could damage the Company's facilities, plant and operating equipment. Accordingly, extreme weather events and climate change may increase the costs of operations and may disrupt operating activities, either of which would adversely impact the profitability of the Company.

Governments have been introducing climate change legislation and treaties at the international, national, state/province and local levels. Regulation relating to emission levels (such as carbon taxes or cap and trade schemes) and energy efficiency is becoming more commonplace and stringent. If the current regulatory trend continues, this may result in increased costs to the Company.

8.B. MINING INDUSTRY RISK FACTORS

8.B.1 Mining and Mineral Exploration Have Substantial Operational Risks

Mining and mineral exploration involve many risks, which even a combination of experience, knowledge and careful evaluation may not be able to overcome. These risks include but are not limited to:

- major or catastrophic equipment failures;
- mine failures and slope failures;
- failure of tailings facilities;

- ground fall and cave-ins;
- deleterious elements materializing in the mined resources;
- environmental hazards;
- industrial accidents and explosions;
- the need to at times, to base decisions on insufficient or inadequate data;
- labour shortages or strikes;
- government regulations;
- untimely delays in permitting or licensing
- civil disobedience and protests; and
- natural phenomena such as inclement weather conditions, floods, droughts, rockslides and earthquakes.

In May 2021, the Company identified slope instability in the west wall of its UCS open pit in Tucano. In order to ensure health and safety for workers, mining activities in UCS were temporarily halted. The Company undertook activities to improve wall stability, including unloading of 2.6 million tonnes of material and improving drainage from the upper benches. While the Company resumed limited mining at depth in July 2021 and full mining activities in September, the Company announced the suspension of mining activities in UCS again in October 2021 due to the renewed detection of slope instability in the west wall. While limited mining of ore was later authorized by the geotechnical committee to continue in the southern portion of the pit, a decision was made to ramp down mining in UCS at the end of 2021 and resume the pushback in mid-2022 when seasonally drier conditions are expected. Because the majority of mining activity in UCS in 2022 will be focused on pushback activities later in the year, the Mineral Reserves in the UCS Pit do not represent a material portion of the Mineral Reserves planned for production in 2022, however they are part of the planned production schedule in 2023. If the Mineral Reserves at UCS are unable to be accessed, either as a result of slope displacement or instability or otherwise, it would adversely impact the Company's production plans, future revenues and financial condition of the Company.

In addition, the Company may experience similar pit wall displacements or other failures at the Tucano open pit mines, with further negative impact to the Company's ability to mine its Mineral Reserves. Any such events may increase the Company's costs of operations, delay production plans and reduce potential production.

These occurrences could result in environmental damage and liabilities, work stoppages and delayed production, increased production costs, damage to, or destruction of, mineral properties or production facilities, personal injury or death, asset write-downs, monetary losses, loss of or suspension of permits as a result of regulatory action, reputational damage and other liabilities. The nature of these risks is such that liabilities could exceed policy limits of the Company's insurance coverage, in which case the Company could incur significant costs that could prevent profitable operations.

8.B.2 Uncertainty Regarding Resource Estimates

Only Mineral Resources have been determined for certain of the Company's properties, and other than Tucano, no estimate of Mineral Reserves on any property has been completed. Mineral Resource estimates are based on interpretation and assumptions and may yield less mineral production under actual conditions than is currently estimated. In making determinations about whether to advance any projects to development, the Company must rely upon estimated calculations as to the Mineral Resources and grades of mineralization on its properties. Until mineralized zones are mined and

processed, Mineral Resources and grades of mineralization must be considered as estimates only. These estimates are imprecise and depend upon geological interpretation and statistical inferences drawn from drilling and sampling which may prove to be unreliable. The Company cannot assure that:

- Mineral Resource or other mineralization estimates will be accurate; or
- Mineralization can be mined or processed profitably.

Any material changes in Mineral Resource estimates and grades of mineralization will affect the economic viability of a mine or a project and its return on capital. The Company's resource estimates have been determined and valued based on assumed future prices, cut-off grades and operating costs that may prove to be inaccurate. Extended declines in market prices for silver, gold, zinc and lead may render portions of the Company's mineralization uneconomic and result in reduced reported Mineral Resources.

Any material reductions in estimates of Mineral Resources, or of the Company's ability to extract such Mineral Resources, could have a material adverse effect on the Company's results of operations or financial condition. The Company cannot assure that mineral recovery rates achieved in small scale tests will be duplicated in large scale tests under on-site conditions or in production scale.

8.B.3 Environmental and Health and Safety Risks

The Company's operations are subject to environmental regulations promulgated by government agencies from time to time. There is no assurance that environmental regulations will not change in a manner that could have an adverse effect on the Company's financial condition, liquidity or results of operations, and a breach of any such regulation may result in the imposition of fines and penalties.

Environmental legislation is constantly expanding and evolving in ways that impose stricter standards and more rigorous enforcement, with higher fines and more severe penalties for non-compliance, and increased scrutiny of proposed projects. There is an increased level of responsibility for companies, and trends towards criminal liability for officers and directors for violations of environmental laws, whether inadvertent or not. The cost of compliance with changes in governmental regulations has the potential to reduce the profitability of the Company's operations.

Exploration activities and/or the pursuit of commercial production of the Company's mineral claims may be subject to an environmental review process under environmental assessment legislation. Compliance with an environmental review process may be costly and may delay commercial production.

Furthermore, there is the possibility that the Company would not be able to proceed with commercial production upon completion of the environmental review process if government authorities do not approve the proposed mine, or if the costs of compliance with government regulation adversely affect the commercial viability of the proposed mine.

The development and operation of a mine involves significant risks to personnel from accidents or catastrophes such as fires, explosions or collapses. These risks could result in damage or destruction of mineral properties, production facilities, casualties, personal injury, environmental damage, mining delays, increased production costs, monetary losses and legal liability. The Company may not be able to obtain insurance to cover these risks at economically feasible premiums. Insurance against certain environmental risks, including potential liability for pollution and other hazards as a result of the disposal of waste products occurring from production, is not generally available to companies within the mining industry. The Company may be materially adversely affected if it incurs losses related to any significant events that are not covered by its insurance policies.

The Company has safety programs in place and continues to pursue further improvements on an ongoing basis. Safety meetings with employees and contractors are held on a regular basis to reinforce standards and practices. However, there is no assurance that safety incidents will not be experienced in the future, or that operations might not be materially affected by their occurrence. Further, a safety incident could have an adverse effect on the Company's financial condition, liquidity or results of operations, and may result in the imposition of fines and penalties.

8.B.4 Unauthorized Mining

The mining industries in Brazil and Mexico are subject to incursions by illegal miners or "garimpeiros" or "lupios" who gain unauthorized access to mines or exploration areas to steal mineralized material mainly by manual mining methods. The Company has experienced such incursions including an incident in the first quarter of 2014 at the GMC that resulted in both a significant financial loss to the Company and a material impact to the Company's operations. In Brazil incursions into tenements where at the time the Company did not have any physical presence, have occurred. The Company is required to report the garimpeiro activity within its tenements to the relevant authorities for resolution. There is no significant financial loss nor impact to the Company's operations in this case.

At production and mine sites, in addition to the risk of losses and disruptions, these illegal miners pose a safety and security risk. These incursions and illegal mining activities can potentially compromise underground structures, equipment and operations, which may lead to production stoppages and impact the Company's ability to meet production goals.

8.B.5 Commercialization Risk of Development and Exploration Stage Properties and Ability to Acquire Additional Commercially Mineable Mineral Rights

The Company's primary mineral properties in Mexico, Topia and the GMC (excluding San Ignacio), have been in the production stage for more than 10 years under the ownership of the Company and have generated positive cash flow from operating activities. However, the commercial viability of these mines was not established by a feasibility study or preliminary economic assessment. Similarly, San Ignacio commenced commercial production in 2014 and has generated positive cash flow from operating activities; however, the commercial viability of this mine was not established by a feasibility study or preliminary economic assessment. Coricancha was a past producing mine that is currently on care and maintenance. There is no assurance that the Company's evaluation efforts will be sufficient to bring Coricancha into production.

Mineral exploration and development involve a high degree of risk. There is no assurance that commercially viable quantities of ore will be discovered at Coricancha, or the Company's other exploration projects or that its exploration or development projects will be brought into commercial production.

Most exploration projects do not result in the discovery of commercially mineable ore deposits and no assurance can be given that any anticipated level of recovery of ore reserves will be realized or that any identified mineral deposit will ever qualify as mineable. Estimates of Mineral Reserves and Mineral Resources, and production costs can also be affected by such factors as environmental permitting regulations and requirements, weather, environmental factors, social dynamics in local communities, negotiations with landowners, unforeseen technical difficulties, unusual or unexpected geological formations and work interruptions.

Material changes in commodity prices, Mineral Resources, grades, dilution or recovery rates, or other project parameters may affect the economic viability of any project. The Company's future growth and productivity will depend, in part, on the ability to identify and acquire additional commercially mineable mineral rights, and on the costs and results of continued exploration and potential development programs. Mineral exploration and development are highly speculative in nature and is frequently non-productive. Substantial expenditures are required to:

- establish Mineral Resources through drilling and metallurgical and other testing techniques;
- determine metal content and metallurgical recovery processes to extract metal from the ore;
- evaluate the economic feasibility; and
- construct, renovate, expand or modify mining and processing facilities.

In addition, if potentially economic mineralization is discovered, it would take several years from the initial phases of exploration until production is possible. During this time, the economic feasibility of production may change. As a result of these uncertainties, there can be no assurance that the Company will successfully acquire additional commercially mineable properties.

Development projects usually have no operating history upon which to base estimates of future cash flow. Estimates of Proven Mineral Reserves and Probable Mineral Reserves, Measured and Indicated Mineral Resources, and Inferred Mineral Resources are, to a large extent, based upon detailed geological and engineering analysis. Further, Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability. At this time, other than Tucano, the Company's properties do not have defined Mineral Reserves. Due to the uncertainty of Inferred Mineral Resources, there is no assurance that Inferred Mineral Resources will ever be upgraded to either Measured or Indicated Mineral Resources or to Proven Mineral Reserves or Probable Mineral Reserves.

Because mines have limited lives, the Company must continually replace and expand its Mineral Resources as production continues. The LOM estimates for the Company's mines may not be correct. The ability of the Company to maintain or increase its annual production of metals and the Company's future growth and productivity will be dependent in significant part on its ability to identify and acquire additional commercially mineable mineral rights, to bring new mines into production, to expand Mineral Resources at existing mines, and on the costs and results of continued exploration and potential development programs. The inability to identify Mineral Resources in quantities sufficient to bring a mineral property into production may result in the write down of the value of the mineral property.

8.B.6 Production Decisions Made without Identified Mineral Reserves

There are no current estimates of Mineral Reserves for any of the Company's Mexican mines and Coricancha. The Company made decisions to enter into production at Topia, Guanajuato and San Ignacio without having completed final feasibility studies. Accordingly, the Company did not base its production decisions on any feasibility studies of Mineral Reserves demonstrating economic and technical viability of the mines. Any future production decisions at Topia, Guanajuato, and San Ignacio are also anticipated to be made without having completed feasibility studies. In addition, the Company may at some point in the future make decisions to extend mine operations at Tucano beyond the mine life of its current Mineral Reserves by mining material that is classified as Mineral Resources without the completion of a feasibility study that would be required to establish whether these Mineral Resources can be converted to Mineral Reserves. As a result, there may be increased uncertainty and risks of achieving any particular level of recovery of minerals from the Company's mines or the costs of such recovery. As the Company's mines do not have established Mineral Reserves, except for Tucano, the Company faces higher risks that

anticipated rates of production and production costs will not be achieved, each of which risks could have a material adverse impact on the Company's ability to continue to generate anticipated revenues and cash flow to fund operations from and ultimately achieve or maintain profitable operations.

8.B.7 Termination of Mining Concessions

The concessions the Company will hold in respect of its operations, development projects and prospects may be terminated under certain circumstances. The Company's mining concessions may be terminated in certain circumstances. Under the laws of Brazil, Mineral Resources belong to the federal government and governmental concessions are required to explore for, and exploit, Mineral Reserves. The Company will hold mining, exploration and other related concessions in each of the jurisdictions where the Company operates and where it will carry on development projects and prospects. The concessions the Company will hold in respect of its operations, development projects and prospects may be terminated under certain circumstances. Termination of any one or more of the Company's mining, exploration or other concessions could have a material adverse effect on the Company's financial condition or results of operations.

8.C. COMPANY OPERATING RISK FACTORS

8.C.1 Tucano Mine Life

The Company significantly reduced its Mineral Reserve and Mineral Resource estimates for Tucano in March 2020, which resulted in a shorter open pit mine plan for Tucano than the forecast production from Mineral Reserves through the end of 2022. The Company announced a further update to its Mineral Reserve and Resources estimates for Tucano in December 2020, which extended the open pit mine life by approximately one year. In order to continue open pit mining at Tucano beyond 2023, the Company will need to expand its Mineral Reserve base or otherwise establish that the material currently classified as Mineral Resources can be economically mined.

There is no assurance that the Company will be successful in increasing the mine life of Tucano or that development work will result in the estimation of Mineral Reserves demonstrating economic viability. Further, there are uncertainties with respect to the amount of capital expenditures that may be required to be deployed to extend such mine life beyond 2023 and related regulatory and permitted risks associated therewith. As a consequence, the Company may be required to evaluate whether to cease operations at Tucano if it cannot economically operate the mine. Any shut-down or curtailment of Tucano would materially and adversely impact on the financial condition and results of operations of the Company and may result in the Company not being able to pay its obligations, including outstanding debt.

8.C.2 Inaccuracies in Production and Cost Estimates

The Company prepares estimates of future production and future production costs for specific operations. No assurance can be given that these estimates will be achieved. Production and cost estimates are based on, among other things, the following: the accuracy of Mineral Reserve and Mineral Resource estimates; the ability to continue mining activities without disruption; the accuracy of assumptions regarding ground conditions and physical characteristics of mineralization, equipment and mechanical availability, labour, and the accuracy of estimated rates and costs of mining and processing. Actual production and costs may vary from estimates for a variety of reasons, including actual

mineralization mined varying from estimates of grade, tonnage, dilution and metallurgical and other characteristics, short-term operating factors relating to the Mineral Reserve and Mineral Resources, such as the need for sequential development of mineralized zones and the processing of new or different grades of mineralization; the ability to continue mining in accordance with the Company's mine plans, the availability of tailings storage facilities and the risks and hazards associated with mining described below under "Mining and Mineral Exploration Have Substantial Operational Risks". In addition, there can be no assurance that silver recoveries or other metal recoveries in small scale laboratory tests will be duplicated in larger scale tests under on-site conditions or during production, or that the existing known and experienced recoveries will continue. Costs of production may also be affected by a variety of factors, including: variability in grade or dilution, metallurgy, labour costs, costs of supplies and services (such as, fuel and power), general inflationary pressures, changes in regulations and currency exchange rates. Failure to achieve production or cost estimates, or increases in costs, could have an adverse impact on the Company's future cash flow, earnings, results of operations and financial condition.

8.C.3 Risks Associated with Continued use of Topia Tailings and Expansion

There is no assurance that there will not be further movement underlying Phase I and Phase II of the TSF or that the continued remediating and monitoring techniques will be effective (See 5.C.12.b "Topia TSF"). Any movement of the material underlying the TSF Phase I and II could result in significant environmental damage, potential loss of life and property and consequential liability to the Company, work stoppages and delayed production, increased production costs, damage to, or destruction of, mineral properties or production facilities, personal injury or death, asset write-downs, monetary losses, loss of or suspension of permits as a result of regulatory action, reputational damage and other liabilities. The nature of these risks is such that liabilities could exceed policy limits of the Company's insurance coverage, in which case the Company could incur significant costs that could prevent profitable operations.

8.C.4 Risks Associated with Obtaining and Complying with Tailings and Other Permits

The Company's operations are subject to obtaining and maintaining permits (including environmental permits) from appropriate governmental authorities. There is no assurance that necessary permits will be obtained or that delays will not occur in connection with obtaining all necessary renewals of such permits for the existing operations, or additional permits for any possible future changes to operations, or additional permits associated with new legislation. Additionally, it is possible that previously issued permits may become suspended for a variety of reasons, including through government or court action.

At the GMC, the Company has not yet been granted a permit from the Comisión Nacional del Agua ("CONAGUA") to expand the tailings storage facility, which only had sufficient capacity to continue milling operations until December 2021. The Company placed the GMC on care and maintenance (Guanajuato and Cata processing plant in November 2021 and the San Ignacio mine in early January 2022) while awaiting permits to extend the tailings facility or find other alternatives to maximize the value of GMC.

There can be no assurance that the Company will continue to hold or obtain, if required to, all permits necessary to develop or continue operating at any particular property.

8.C.5 Risks Which Cannot Be Insured

The Company maintains appropriate insurance for liability and property damage; however, the Company may be subject to liability for hazards that cannot be insured against, which if such liabilities arise, could impact profitability and result in a decline in the value of the Company's securities. The Company's operations may involve the use of dangerous and hazardous substances; however, extensive measures are taken to prevent discharges of pollutants in the ground water and the environment. Although the Company will maintain appropriate insurance for liability and property damage in connection with its business, the Company may become subject to liability for hazards that cannot be insured against or which the Company may elect not to insure itself against due to high premium costs or other reasons. In the course of mining and exploration of mineral properties, certain risks and, in particular, unexpected or unusual geological operating conditions including rock bursts, cave-ins, tailings facility failures, fires, flooding and earthquakes, may occur. It is not always possible to fully insure against such risks and the Company may decide not to take out insurance against such risks as a result of high premiums or other reasons.

8.C.6 Risk of Secure Title of Property Interest

There can be no assurance that title to any property interest acquired by the Company or any of its subsidiaries is secured. Although the Company has taken reasonable precautions to ensure that legal title to its properties is properly documented, there can be no assurance that its property interests may not be challenged or impugned. Such property interests may be subject to prior unregistered agreements or transfers or other land claims, and title may be affected by undetected defects and adverse laws and regulations.

In the jurisdictions in which the Company operates, legal rights applicable to mining concessions are different and separate from legal rights applicable to surface lands; accordingly, title holders of mining concessions in such jurisdictions must agree with surface landowners on compensation in respect of mining activities conducted on such land.

8.C.7 Risks Associated with the Coricancha Project

The Company completed the acquisition of Coricancha on June 30, 2017. The Company's decision to acquire Coricancha was subject to a number of assumptions, including anticipated exploration results, the expected cost and timing of restarting operations, anticipated processing and production rates that may be achieved at Coricancha upon reactivation, the working capital position of Coricancha at closing, the ultimate cost of reclaiming legacy tailings facilities, potential increases to the Coricancha resource base, the anticipated cost of the mine closure bond, the indemnification obligations of Nyrstar under the Share Purchase Agreement (described in Section 6.A of this AIF) and current environmental conditions and liabilities at Coricancha. While Nyrstar, as the former owner of Coricancha, has agreed to indemnify the Company with respect to certain reclamation costs, these indemnification obligations are capped. While the Company presently believes the ultimate reclamation costs for which Nyrstar is responsible to indemnify Coricancha will be less than the indemnity cap, there is no assurance that this will be the case. The recent dismissal of the constitutional case proceeding will require the Company to consider additional and/or alternative reclamation measures which may or may not be accepted by the authorities and may subject the Company to further fines and penalties. The Company is uncertain to the ultimate cost of these alternatives and if these will even be accepted by the authorities. In the case alternatives are accepted, their cost may ultimately exceed the amount of the Nyrstar indemnity. In addition, there may be disagreements between the Company and Nyrstar as to the amount of Nyrstar's

indemnification obligations under the Share Purchase Agreement. There is also no assurance that the parent guarantor, Trafigura, will have the financial resources necessary to discharge any claim under the guarantee should the Nyrstar entities fail to discharge their obligations.

If any of these assumptions prove incorrect, the Company may not be able to achieve profitable operations at Coricancha. The acquisition of Coricancha is subject to a number of risks that may result in a materially adverse impact on the Company, including potential political risks involving the Company's operations in a foreign jurisdiction, technical and operational difficulties that may be encountered with reactivation of Coricancha, uncertainty of production and cost estimates and the potential for unexpected costs and expenses, uncertainty in Mineral Resource estimation, physical risks inherent in mining operations, currency fluctuations, fluctuations in the price of silver, gold and base metals, completion of economic evaluations, changes in project parameters as plans continue to be refined, permitting risks, the inability or failure to obtain adequate financing on a timely basis, unanticipated increases in the cost of the tailings reclamation, increased mine closure costs and related bond requirements, potential fines, penalties, regulatory actions or charges from government authorities in connection with the failure to move the Cancha 1 and 2 tailings as contemplated in the mine closure plan and the other risks and uncertainties described elsewhere in this AIF, any of which could have a material adverse impact on the Company and its results of operations.

The Company is required to make a decision as to whether to permanently close the Coricancha mine under its Amended and Restated Mine Closure Agreement with Nyrstar by June 30, 2022. If a decision to permanently close the mine is made before June 30, 2022, Nyrstar will fund closure costs up to \$6.5 million but Coricancha will be required to post an additional \$6.5 million of the total required \$10.9 million bond with Peruvian government authorities. If no decision is made to permanently close Coricancha, then Coricancha will likewise be required to post the entire amount of the \$10.9 million bond. Accordingly, either option will require a financial commitment from the Company which may divert capital and management time away from the funding of mining operations and other revenue generating activities and which may have an adverse impact on the Company's liquidity position. In addition, any costs of permanently closing Coricancha may be greater than the \$6.5 million that Nyrstar would be required to fund in the event of a decision to permanently close the mine by June 30, 2022.

In addition, although the Company has completed the Coricancha Technical Report in the form of a preliminary economic assessment at Coricancha and the BSP it is currently evaluating the conditions under which a restart of Coricancha production can be implemented. The Company may not conduct a preliminary feasibility study or feasibility study in connection with its decision. Mineral properties that are placed into production without the benefit of a feasibility study have historically had a higher risk of failure. There is no assurance the Company will achieve any particular level of production at Coricancha or that operations there will be profitable. The preliminary economic assessment completed includes Inferred Mineral Resources which are considered too speculative geologically to have economic considerations applied to them that would enable them to be categorized as Mineral Reserves. Further, there is no certainty that the results of the preliminary economic assessment or the BSP will ever be realized.

While the Company awaited MEM to issue a decision on the proposed modification to the remediation plan for legacy tailings, the Company initiated a constitutional case and was successfully awarded an injunction to prevent fines and penalties until MEM issues its decision. The constitutional case sought Peruvian Judiciary orders that: (i) the MEM issue a decision on the Company's proposed modified Coricancha Mine Closure Plan; and (ii) OEFA and OSINERGMIN refrain from requesting the Company to

move the Cancha 1 and 2 tailings while the MEM issues its decision. In January 2021, the Peruvian Judiciary dismissed the Company's constitutional lawsuit in connection to (ii) above and requested that the MEM issue the technical report evaluating the Closure Plan of the Company within two months. However, on March 5, 2021, the Company appealed the constitutional case decision. While the appeal has not been resolved, on June 10, 2021, the injunction obtained by the Company regarding this constitutional case was cancelled, which exposes the Company to potential fines, penalties, regulatory action or charges from government authorities. As a result of the exposure to fines, the Company has been running a dual strategy to continue to push for amendment of the Closure Plan and in parallel, to review the current stability of the Cancha 1 and 2 tailings. The Company has engaged a consultant to complete the engineering work and develop an engineered tailings removal operating plan and closure plan for Canchas 1 and 2. The Company is also continuing to engage with the MEM to reach a conclusion regarding the Modified Mine Closure Plan. However, given the unsettled political environment in Peru including multiple changes in leadership at the MEM, there can be no assurance that a resolution can be reached in a timely manner or that the Company will not be subject to regulatory fines, penalties, actions or charges.

On August 18, 2021, the Peruvian government introduced a new Mine Closure Law (Law No. 31347). The new law contemplates increases to the mine closure bond requirement applicable to all mining companies in Peru. Whereas previously companies were required to provide bonds to cover "Final" and "Post-Closure" stages of the Mine Closure Plan, under the amended law the bonding requirement is inclusive of "Progressive Closure" costs (i.e., closure activities during the operation of the mine) for the main components of the mine. In January 2022, draft regulations were published and allowed for a comment period from the mining industry. The Petroleum and Energy Society prepared a consolidated response to the regulations, to which the Company submitted comments. Prior to publication of the new regulations, the Company cannot estimate with certainty the amount or timing of incremental closure bond requirements for Coricancha or the impact of such requirements on the Company's liquidity.

GPC, received notice from SUNAT, the Peruvian tax authority, that SUNAT intends to hold GPC jointly liable with respect to the unpaid taxes of a leasing company that sold the Coricancha mining assets to GPC (formerly Compañía Minera San Juan S.A.) in March 2006, prior to the Company's acquisition of Coricancha effective June 30, 2017. The SUNAT claim is for unpaid taxes and related fines of the taxpayer, which is not an affiliate of the Company, from its 2001 tax year, together with related fines. The amount claimed is approximately \$20 million. The Company believes that the probability of the claim resulting in liability for GPC is remote and, as a consequence, has not recorded any contingency. The Company expects legal processes to take several years to reach a conclusion.

8.C.8 Exploration and Development Risks Associated with Tucano

Mineral Resource exploration and development is a speculative business, characterized by a number of significant risks including, among other things, unprofitable efforts resulting not only from the failure to discover mineral deposits but also from finding mineral deposits that, though present, are insufficient in quantity and quality to return a profit from production. The marketability of minerals acquired or discovered by the Company with respect to Tucano may be affected by numerous factors that are beyond the control of the Company and that cannot be accurately predicted, such as market fluctuations, the proximity and capacity of milling facilities, mineral markets and processing equipment, and such other factors as government regulations, including regulations relating to royalties, allowable

production, importing and exporting minerals and environmental protection, the combination of which factors may result in the Company not receiving an adequate return of investment capital.

The business of exploration for minerals and mining involves a high degree of risk. Few properties that are explored are ultimately developed into producing mines. There is no assurance that the mineral exploration and development activities of the Company will result in discoveries of commercial bodies of ore. The long-term profitability of the Company's operations will in part be directly related to the costs and success of its exploration programs, which may be affected by a number of factors.

Substantial expenditures are required to establish Mineral Reserves through drilling and to develop the mining and processing facilities and infrastructure at any site chosen for mining. Although substantial benefits may be derived from the discovery of a major mineralized deposit, no assurance can be given that minerals will be discovered in sufficient quantities to justify commercial operations or that funds required for development can be obtained on a timely basis.

In addition, any determination to proceed with the development of the Urucum underground mine at Tucano will require the completion of further studies to demonstrate the technical and economic viability of the project. There is no assurance that Company will be able to raise the capital to fund the development of the Urucum underground mine should feasibility be established.

8.C.9 Risks Associated with Transportation and Storage of Doré or Concentrate

The doré and concentrates produced by the Company have significant value and are transported by road, by air, and/or by ship to refineries and smelters in local countries and overseas. The geographic location of the Company's operating mines in Brazil and Mexico, and air and trucking routes taken through the country to the refinery, smelters and ports for delivery, give rise to risks including doré or concentrate theft, road blocks and terrorist attacks, losses caused by adverse weather conditions, delays in delivery of shipments, and environmental liabilities in the event of an accident or spill.

The ability of the Company to transport doré and concentrates may also be at risk due to regional quarantine measures related to the COVID-19 pandemic which could be imposed by various levels of governments in the jurisdictions in which the Company operates.

8.C.10 Theft of Doré or Concentrate

The Company may have significant doré and concentrate inventories at its facilities or on consignment at other warehouses awaiting shipment. The Company has experienced theft of concentrates in the past and has taken additional steps to secure its doré and concentrate, whether in storage or in transit. The Company has insurance coverage; however, recovery of the full market value may not always be possible. Despite risk mitigation measures, there remains a continued risk that theft of doré or concentrate may have a material impact on the Company's financial results.

8.D. COMPANY COMMERCIAL AND LEGAL RISK FACTORS

8.D.1 Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they arise. The Company has a planning and budgeting process in place to help determine the funds required to support the Company's normal operating requirements on an ongoing basis and its expansion plans. As at December 31, 2021, the Company had net working capital (current assets in excess of current liabilities) of approximately \$7.6 million, including approximately \$47.7 million in cash and short term

deposits. At December 31, 2021, the Company has total borrowings of \$48.9 million, of which \$42.6 million is due over the next 12 months.

The Company believes it has sufficient net working capital and other sources of funds to meet operating requirements as they arise for at least the next 12 months, but there can be no assurance that a unplanned event such as a sudden significant decrease in gold or silver prices, Government and industry measures to contain the spread of COVID-19, unforeseen liabilities, or other matters adversely affecting the operations of the business might not arise, and that such changes will not have a material impact on the Company's sufficiency of cash reserves to meet operating requirements. In addition, further acquisitions or a significant change in capital plans could significantly change the cash and working capital required by the Company.

8.D.2 Sufficiency of Current Capital and Ability to Obtain Financing to Fund Operations, Capital and Exploration Expenditures and meet Debt Service Requirements

As at December 31, 2021, the Company had approximately \$47.7 million of cash and short-term deposits. During 2021, the Company generated negative cash flow from operating activities, and to make scheduled debt repayments and capital investments the Company needed to raise other sources of capital. The Company's has \$22 million in planned capital expenditures in 2022, and \$4.6 million in exploration expenditures. In addition, the Company the majority of the Company's mining will be devoted to stripping of AB1 and the resumption of the UCS pushback, resulting in roughly 65% of total gold equivalent ounces being produced in the second half of the year. The Company's ability to generate cash from its operations in 2022 will be highly dependent on metal prices and the ability of the Company to maintain cost and grade controls at its operations and is subject to the Company's plans and strategy. The Company has determined that it will require further financing in 2022 and will consider other equity, including through use of the ATM Facility and debt financing, if necessary, in order to meet long-term objectives and improve working capital, fund planned capital investments and exploration programs for its operating mines, acquisitions, and meet scheduled debt repayment obligations. There is no assurance that the Company's cash flow generated from mining activities, along with its current cash and other net working capital and new financing initiatives, will be sufficient to fund the Company's operations to meet its planned initiatives and to fund investment and exploration, evaluation, and development activities for the foreseeable future. Failure to obtain additional financing could require the Company to curtail planned expenditures which in turn could have a material impact on the Company's future cash flows and could have a detrimental impact on the Company's liquidity and ability to fund its ongoing operations.

In addition, the Company had outstanding debt of \$48.9 million as at December 31, 2021. The Company may also enter into new debt arrangements in the future that may further increase its debt payable. The Company will be dependent upon its future ability to maintain production at its mines in order to generate the cash flow required to repay this indebtedness in accordance with the required payment schedules. In the event production cannot be maintained, the Company may be required to complete additional equity financings or sell assets in order to repay these creditors and avoid enforcement actions by these creditors or an insolvency event. There is no assurance that any equity financing would be available to the Company in these circumstances or that the Company would be able to market and sell assets at the prices that the Company would consider to be fair and representative of their market value.

The further exploitation, development and exploration of mineral properties in which the Company holds interests or which the Company acquires may depend upon its ability to obtain financing through

equity financing and/or debt financing, to enter into joint venture arrangements or to obtain other means of financing. There is no assurance that the Company will be successful in obtaining required financing as and when needed. Volatile precious metals markets may make it difficult or impossible for the Company to obtain financing on favourable terms, or at all.

The Company has completed acquisitions to achieve growth, and accordingly, may continue to evaluate opportunities to execute and complete additional acquisitions, and these may require additional capital. There is no assurance that the Company will be able to obtain additional capital when required. Failure to obtain additional financing on a timely basis may limit, expansion, development and exploration plans, or even to suspend operations.

8.D.3 Financing Risks Associated with Tucano

There can be no assurance that the Company will be able to secure the funds necessary to finance the optimization, planned exploration, further capital investment and development of Tucano and scheduled debt repayments in a manner that will increase value to shareholders. In addition, Tucano will have significant working capital needs, given its 2022 production profile with a much greater proportion of production in the second half of the year. The Company is in the process of reviewing its Mineral Reserve and Mineral Resource estimates at Tucano to take into account exploration progress since September 30, 2020, the effective date of the Company's most recent 43-101 report released on February 2, 2021. Although it expects to confirm that Tucano's mine life will extend beyond 2023, a detailed mine plan has not been finalized and as such, the estimated capital cost to access additional ore is not currently known. These capital requirements may require the Company to obtain additional financing and there is no assurance that this financing will be available when required.

Substantial expenditures will be required to optimize, develop and to continue with the exploration of Tucano and near mine exploration targets as well as the Company's underground mine project. In order to explore and develop Tucano, the Company may be required to expend significant amounts for, among other things, geological, geochemical and geophysical analysis, drilling, assaying, and, if warranted, further mining and infrastructure feasibility studies. The Company may not benefit from any of these investments if it is unable to identify commercially exploitable mineralized material. If successful in identifying Mineral Reserves, it may require additional capital to construct infrastructure necessary to extract recoverable metal from those Mineral Reserves.

The ability of the Company to achieve sufficient cash flow from internal sources and obtain necessary funding through equity financing, joint ventures, debt financing, or other means, depends upon a number of factors, including the state of the worldwide economy and the price of gold, silver and other metals. The Company may not be successful in achieving sufficient cash flow from internal sources and obtaining the required financing as and when needed for these or other purposes on terms that are favourable to it or at all, in which case its ability to continue operating may be adversely affected. Failure to achieve sufficient cash flow and obtain such additional financing could result in delay or indefinite postponement of further exploration or potential development and may cause the Company to forfeit rights in some or all of its properties or reduce or terminate some or all of its planned operations.

8.D.4 Ability to Meet Financial Covenants

On September 21, 2021, the Company entered into the Doré Agreement with Asahi. Under the Doré Agreement, the Company is required to maintain a minimum cash balance of \$5 million on the balance

sheet of the Company's subsidiary, Mina Tucano. The Company's ability to meet this financial covenant will depend on its ability to generate cash from operations or access alternative sources of capital and there can be no assurance that the Company will maintain sufficient cash in Mina Tucano and that failing to do so will not result in the \$20 million prepayment facility becoming due and payable. Failure to meet these financial covenants would have an adverse effect on the Company's financial condition and may require the Company to obtain additional financing. There is no assurance that this financing will be available when required, and failure to obtain such additional financing could result in delay or indefinite postponement of further exploration or potential development and may cause the Company to forfeit rights in some or all of its properties or reduce or terminate some or all of its planned operations.

8.D.5 Litigation Risk

As discussed in Section 15 of this AIF, the Company is party to various legal proceedings in connection with its mining properties. The Company disclosed certain of these legal proceedings but has not disclosed other legal proceedings on the basis that they do not represent claims in excess of 10% of the assets of the Company. The Company has made various assessments as to the probability of the outcomes of these legal proceedings in connection with the preparation of its Audited Financial Statements. There is no assurance that the Company's assessment of the probability of these outcomes, and the amounts for which the Company may become liable to pay, will be accurate and representative of the actual outcomes in these legal proceedings. Adverse decisions in these legal proceedings could result in significant damages being awarded against the Company which could have a material adverse impact on the Company's financial condition and results of operations. While the Company may be able to appeal any awards of decisions against the Company, there is no assurance that these appeals would be successful. In addition, the Company's inability to overturn the decision of the Federal labour court regarding the prohibition of cyanide usage at Tucano following the date that is one year following the date of any final appeal could result in the Company being required to cease operations at Tucano if an alternative to cyanide treatment cannot be identified and implemented in a cost-effective manner (of which there is no assurance). While the Company views such an order as being unprecedented in Brazil, the Company's failure to over-turn the order on appeal would have a material adverse impact on the Company's financial condition and results of operations.

All industries, including the mining industry, are subject to legal claims, with and without merit. The Company may become involved in additional legal disputes in the future. Defence and settlement costs can be substantial, even with respect to claims that have no merit. Due to the inherent uncertainty of the litigation process, the resolution of any particular legal proceeding may have a material effect on the Company's financial position or results of operations.

The Company may be subject to governmental and regulatory investigations, civil claims, lawsuits and other proceedings in the ordinary course of its business. The results of these legal proceedings cannot be predicted with certainty due to the uncertainty inherent in regulatory actions and litigation, the difficulty of predicting decisions of regulators, judges and juries and the possibility that decisions may be reversed on appeal.

Management is committed to conducting business in an ethical and responsible manner, which it believes will reduce the risk of legal disputes. However, if the Company is subject to legal disputes, there can be no assurances that these matters will not have a material adverse effect on the Company's business, financial condition, results of operations, cash flow or prospects.

8.D.6 Corruption and Fraud in Brazil relating to Ownership of Real Estate

Under Brazilian law, real property ownership is normally transferred by means of a transfer deed, and subsequently registered at the appropriate real estate registry office under the corresponding real property record. There are uncertainties, corruption and fraud relating to title ownership of real estate in Brazil, mostly in rural areas. In certain cases, a real estate registry office may register deeds with errors, including duplicate and/or fraudulent entries, and, therefore, deed challenges frequently occur, leading to judicial actions. Property disputes over title ownership are frequent in Brazil, and, as a result, there is a risk that errors, fraud or challenges could adversely affect the Company's ability to operate, although ownership of mining rights are separate from ownership of land.

8.D.7 Restrictions to the Acquisition of Rural Properties by Foreign Investors or Brazilian Companies under Foreign Control

Non-resident individuals and non-domiciled foreign legal entities are subject to restrictions for the acquisition or lease for agricultural purpose, or *arrendamento*, of rural properties in Brazil. Limitations also apply to legal entities domiciled in Brazil controlled by foreign investors, such as the Company's subsidiaries through which the Company will operate in Brazil. The limitations are set forth mainly in Law No. 5,709/1971 and in Decree No. 74,965/1974.

Until 2010, limitations imposed on the acquisition of rural property did not apply to Brazilian companies under foreign control. However, an opinion issued by the General Counsel of the Federal Government Office of Brazil significantly changed the interpretation of the applicable laws at the time. Accordingly, Brazilian companies that have the majority of their capital stock owned by foreign individuals and legal entities domiciled abroad are deemed "foreign investors" for the purposes of application of the restrictions on the acquisition of rural property in Brazil. The legality of such opinion has been and is currently being challenged, however prior challenges to the opinion have been unsuccessful.

A foreign investor or a Brazilian company under foreign control may only acquire rural property in Brazil without breaching the aforementioned opinion if certain conditions are met, including, among others, prior approval by the Brazilian Ministries or, in certain cases, by the Brazilian Congress. Pursuant to applicable legislation, any agreements regarding the direct or indirect ownership of rural properties by foreign individuals or entities may be considered null and void, as well as any agreements regarding corporate changes which might result in indirect acquisition or *arrendamento* of rural lands by foreign investors. Accordingly, the Company's ownership of any such rural properties in Brazil may be subject to legal challenges which could result in a material adverse effect on the Company's business, results of operations, financial condition and cash flow.

8.D.8 Dependence on Key Personnel

The Company's success and viability depends, in large part, on its ability to attract and maintain qualified key management personnel. Competition for such personnel is intense and may impact the ability to attract and retain such personnel. The Company's growth and viability has depended, and will continue to depend, on the efforts of key personnel. The loss of any key personnel may have a material adverse effect on the Company, its business and its financial position. The Company has employment contracts with these employees but does not have key-man life insurance. The Company provides these employees with long-term incentive compensation that generally vests over several years and is designed to retain these employees and align their interests with those of the Company's shareholders.

8.D.9 Inability to Recruit and Retain Qualified Management

The Company's continued success depends, in large part, on its ability to hire and retain highly qualified people and if it is unable to do so, the Company's business and operations may be impaired or disrupted. Competition for highly qualified people is intense and there is no assurance that it will be successful in attracting or retaining replacements to fill vacant positions, successors to fill retirements or employees moving to new positions, or other highly qualified personnel. On February 25, 2022, Robert Henderson resigned as the Company's Chief Executive Officer. The Company's Board appointed Alan Hair as Interim Chief Executive Officer and is in the process of developing a transition plan for a permanent Chief Executive Officer. In addition, recruiting of highly qualified people may create significant distraction or diversion of significant or unanticipated resources or attention of the Company's management team that could have a material adverse effect on Company's business and operations.

8.D.10 Conflicts of Interest of Directors and Officers

Certain of the Company's directors and officers may continue to be involved in a wide range of business activities through their direct and indirect participation in corporations, partnerships or joint arrangements, some of which are in the same business as the Company. Situations may arise in connection with potential acquisitions and investments where the other interests of these directors and officers may conflict with the interests of the Company. The directors and officers of the Company are required by law and the Company's Code of Business Conduct and Ethics to act in the best interests of the Company. They may have the same obligations to the other companies and entities for which they act as directors or officers. The discharge by the directors and officers of their obligations to the Company may result in a breach of their obligations to these other companies and entities and, in certain circumstances, this could expose the Company to liability to those companies and entities. Similarly, the discharge by the directors and officers of their obligations to these other companies and entities could result in a breach of their obligation to act in the best interests of the Company. Such conflicting legal obligations may expose the Company to liability to others and impair its ability to achieve its business objectives.

8.D.11 Concentration of Customers

The Company sells gold doré and refined concentrates containing silver, gold, lead and zinc to metals traders and smelters. During the year ended December 31, 2021, five customers accounted for 98% of the Company's revenues. The Company believes that a limited number of customers will continue to represent a significant portion of its total revenue. The Company does not consider itself economically dependent upon any single customer or combination of customers due to the existence of other potential metals traders or smelters capable of purchasing the Company's supply. However, the Company could be subject to limited refinery or smelter availability and capacity, it could face the risk of a potential interruption of business from a third party beyond its control, or it may not be able to maintain its current significant customers or secure significant new customers on similar terms, any of which may have a material adverse effect on the Company's business, financial condition, operating results and cash flow.

8.D.12 Illegal Activity in the Countries in Which the Company Operates Could Have an Adverse Effect on Operations

The Company's primary mineral exploration and exploitation activities are conducted in Brazil, Mexico and Peru and are exposed to various levels of political, economic and other risks and uncertainties. These risks include but are not limited to, hostage taking, murder, illegal mining, high rates of inflation, corruption of government officials, blackmail, extortion and other illegal activity. Corruption of foreign officials could affect or delay required permits, service levels by foreign officials, and protection by police and other government services.

Mexico continues to undergo sometimes violent internal struggles between the government and organized crime with drug cartel relations and other unlawful activities. The number of kidnappings, violence and threats of violence throughout Mexico is of particular concern and appears to be on the rise. While the Company takes measures to protect both personnel and property, there is no guarantee that such measures will provide an adequate level of protection for the Company or its personnel. The occurrence of illegal activity against the Company or its personnel cannot be accurately predicted and could have an adverse effect on the Company's operations.

In January 2016, a small amount of explosives was stolen from the GMC. While the Company has taken additional security measures, there is no assurance that theft of explosives will not occur again. Explosives are highly regulated, and any theft or loss of explosives may be subject to investigation by Mexican regulatory authorities. The Mexican regulatory authorities may elect at their discretion to exercise administrative action during or after such an investigation. Administrative action could include fines and possibly suspension of the Company's explosives permit during the investigation period or longer, which would negatively impact the Company's operations.

8.D.13 Compliance with Anti-Corruption Laws

The Company's operations are governed by, and involve interaction with, many levels of government in Brazil, Mexico and Peru. The Company is subject to various anti-corruption laws and regulations such as the Canadian Corruption of Foreign Public Officials Act and the United States' Foreign Corrupt Practices Act, each of which prohibit a company and its employees or intermediaries from bribing or making improper payments to foreign officials or other persons to obtain or retain business or gain some other business advantage. In addition, the Extractive Sector Transparency Measures Act recently introduced by the Canadian government contributes to global efforts to increase transparency and deter corruption in the extractive sector by requiring extractive entities active in Canada to publicly disclose, on an annual basis, specific payments made to all governments in Canada and abroad. According to Transparency International, Brazil, Mexico and Peru are each perceived as having fairly high levels of corruption relative to Canada. The Company cannot predict the nature, scope or effect of future regulatory requirements to which the Company's operations might be subject or the manner in which existing laws might be administered or interpreted.

Failure to comply with the applicable anti-corruption laws and regulations could expose the Company and its senior management to civil or criminal penalties or other sanctions, which could materially and adversely affect the Company's business, financial condition and results of operations. Likewise, any investigation of any alleged violations of the applicable anti-corruption legislation by Canadian or foreign authorities could also have an adverse impact on the Company's business, reputation, financial condition and results of operations. Although the Company has adopted policies to mitigate such risks,

such measures may not be effective in ensuring that the Company, its employees or third-party agents will comply with such laws.

8.D.14 Information and Cyber Security

The secure processing, maintenance and transmission of information and data is critical to the Company's business. Furthermore, the Company and its third-party service providers collect and store sensitive data in the ordinary course of the Company's business, including personal information of the Company's employees, as well as proprietary and confidential business information relating to the Company and in some cases, the Company's customers, suppliers, investors and other stakeholders. This may also include confidential information of prospective merger and acquisition targets or candidates with which the Company may have entered into confidentiality agreements. With the increasing dependence and interdependence on electronic data communication and storage, including the use of cloud-based services and personal devices, the Company is exposed to evolving technological risks relating to this information and data. These risks include targeted attacks on the Company's systems or on systems of third parties that the Company relies on, failure or non-availability of a key information technology systems, or a breach of security measures designed to protect the Company's systems. While the Company employ security measures in respect of its information and data, including implementing systems to monitor and detect potential threats, the performance of periodic audits, and penetration testing, the Company cannot be certain that it will be successful in securing this information and data and there may be instances where the Company is exposed to malware, cyber-attacks or other unauthorized access or use of the Company's information and data. Any data breach or other improper or unauthorized access or use of the Company's information could have a material adverse effect on the Company's business and could severely damage the Company's reputation, compromise the Company's network or systems and result in a loss or escape of sensitive information, a misappropriation of assets or incidents of fraud, disrupt the Company's normal operations, and cause the Company to incur additional time and expense to remediate and improve the Company's information systems. In addition, the Company could also be subject to legal and regulatory liability in connection with any such cyber-attack or breach, including potential breaches of laws relating to the protection of personal information.

8.D.15 Acquisition and Divestiture Strategy

As part of Great Panther's business strategy, the Company has made acquisitions in the past and continues to seek new acquisition opportunities in the Americas. The acquisition opportunities sought by the Company include operating mines, as well as exploration and development opportunities, with a primary focus on silver and/or gold. As a result, the Company may from time to time acquire additional mineral properties or the securities of issuers which hold mineral properties. In pursuit of such opportunities, the Company may fail to select appropriate acquisition candidates or negotiate acceptable arrangements, including arrangements to finance acquisitions or integrate the acquired businesses and their personnel into the Company, and may fail to assess the value, strengths, weaknesses, contingent and other liabilities and potential profitability of acquisition candidates, or to achieve identified and anticipated operating and financial synergies, and may incur unanticipated costs, diversion of management attention from existing businesses, the potential loss of the Company's key employees or of those of the acquired business. Acquisitions may also lead to the issuance of a large number of the Company's common shares, which would result in dilution to existing shareholders. Although the Company generally seeks advice from financial, legal and tax advisors in pursuit of such opportunities, the Company cannot assure that it can complete any acquisition or business arrangement that it pursues, or is pursuing, on favourable terms, or that any acquisitions or business arrangements

completed will ultimately benefit the Company. Acquisitions may involve a number of special risks, circumstances or legal liabilities. These and other risks related to acquiring and operating acquired properties and companies could have a material adverse effect on the Company's results of operations and financial condition. Further, to acquire properties and companies, the Company may be required to use available cash, incur debt, issue additional securities, enter into off-take, royalty agreements or metal streaming agreements, or a combination of any one or more of these. This could affect the Company's future flexibility and ability to raise capital, to operate, explore and develop its properties and could dilute existing shareholders and decrease the price of the common shares of the Company. There may be no right for the Company's shareholders to evaluate the merits or risks of any future acquisition undertaken by the Company, except as required by applicable laws and regulations.

The Company may also seek to divest assets from time to time if they no longer represent a strategic fit within its portfolio. The Company may seek to divest of shares in its subsidiaries, operating mines, projects or exploration properties. As part of such transactions, the Company may from time to time acquire the securities of the purchasers of the divested assets. There can be no assurance that such securities acquired will maintain their value or can be readily traded. Although the Company generally seeks advice from financial, legal and tax advisors in pursuit of such opportunities, there can be no assurance that the Company will negotiate acceptable arrangements and will not incur unanticipated costs, divert management attention from existing businesses, or lose key employees. The Company cannot assure that it can complete any divestiture that it pursues, or is pursuing, on favourable terms, or that the proceeds from such divestiture will represent fair value to shareholders. Any reduction in the size of the Company's business as a result of a divestiture could affect the Company's future flexibility and ability to raise capital and could decrease the price of the common shares of the Company. There may be no right for the Company's shareholders to evaluate the merits or risks of any future divestiture undertaken by the Company, except as required by applicable laws and regulations.

8.D.16 Community Relations and Social License to Operate

The Company's relationship with the communities in which it operates is important to ensure the future success of its existing operations and the construction and development of its projects. While the Company believes its relationships with the communities in which it operates are strong, there is an increasing level of public concern relating to the perceived effect of mining activities on the environment and on communities impacted by such activities. Certain non-governmental organizations ("NGOs"), some of which oppose globalization and resource development, are often vocal critics of the mining industry and its practices. Adverse publicity generated by such NGOs or others related to extractive industries generally, or its operations specifically, could have an adverse effect on the Company's reputation or financial condition and may impact its relationship with the communities in which it operates. While the Company believes that it operates in a socially responsible manner, there is no guarantee that the Company's efforts in this respect will mitigate this potential risk.

8.D.17 Volatility of Share Price

Trading prices of Great Panther's shares may fluctuate in response to a number of factors, many of which are beyond the control of the Company. In addition, the stock market in general, and the market for precious metals producers in particular has experienced extreme price and volume fluctuations that have often been unrelated or disproportionate to the operating performance of such companies. These broad market and industry factors may adversely affect the market price of the Company's shares,

regardless of operating performance. This, in turn, can impact the Company's ability to maintain its listings on the exchanges where it trades.

In the past, following periods of volatility in the market price of a company's securities, securities class-action litigation has been known to be initiated. Such litigation, if instituted, could result in substantial costs and a diversion of management's attention and resources.

8.D.18 Substantial Decommissioning and Reclamation Costs

The Company reviews and reassesses its reclamation obligations at each of its mines based on updated mine life estimates, rehabilitation and closure plans. As at December 31, 2020, the Company had recorded a provision in the amount of \$70.9 million for the estimated present value of future reclamation and remediation costs associated with the expected retirement of its mineral properties, plants, and equipment. The estimated expenditures are to commence near the end of each mine's useful life except may be required by applicable law. There is no assurance that the Company will have sufficient capital resources as required to fund these reclamation expenses as and when required.

The costs of performing the decommissioning and reclamation must be funded by the Company's operations. These costs can be significant and are subject to change. The Company cannot predict what level of decommissioning and reclamation may be required in the future by regulators. If the Company is required to comply with significant additional regulations or if the actual cost of future decommissioning and reclamation is significantly higher than current estimates, this could have an adverse impact on the Company's future cash flow, earnings, results of operations and financial condition.

8.D.19 Officers and Directors Are Indemnified Against All Costs, Charges and Expenses Incurred by Them

The Company's articles contain provisions limiting the liability of its officers and directors for all acts, receipts, neglects or defaults of themselves and all the other officers or directors for any other loss, damage or expense incurred by the Company which happen in the execution of the duties of such officers or directors, as do indemnification agreements between the directors and officers and the Company. Such limitations on liability may reduce the likelihood of derivative litigation against the Company's officers and directors and may discourage or deter shareholders from suing the officers and directors based upon breaches of their duties to the Company, though such an action, if successful, might otherwise benefit the Company and its shareholders.

8.D.20 Enforcement of Legal Actions or Suits

It may be difficult to enforce suits against the Company or its directors and officers. The Company is organized and governed under the laws of under the *Business Corporations Act* of British Columbia, Canada and is headquartered in this jurisdiction. Primarily all the Company's directors and officers are residents of Canada, and all of the Company's assets are located outside of the United States. Consequently, it may be difficult for United States investors to realize in the United States upon judgments of United States courts predicated upon civil liabilities under the *United States Securities Exchange Act of 1934, as amended*. There is substantial doubt whether an original action could be brought successfully in Canada against any of such persons predicated solely upon such civil liabilities.

8.D.21 Dilution of Shareholders' Interests from Stock Based Compensation

The Company has granted, and in the future may grant, to directors, officers, insiders, employees, and consultants, options to purchase common shares as non-cash incentives to those persons. Such options have been, and may in future be, granted at exercise prices equal to market prices, or at prices as allowable under the policies of the TSX. The issuance of additional shares will cause existing shareholders to experience dilution of their ownership interests. As at December 31, 2021, there are outstanding vested share options exercisable into 2,510,799 common shares which, if exercised, would represent approximately 0.56% of the Company's issued and outstanding shares as of that date.

The Company has also granted, and in the future may grant, to directors, officers, insiders, and employees, Restricted Share Units ("RSUs"), Performance Share Units ("PSUs") and Deferred Share Units ("DSUs") as incentive awards for service to those persons. Upon settlement, these awards entitle the recipient to receive common shares, a cash equivalent, or combination thereof. The choice of settlement method is at the Company's sole discretion. As at December 31, 2021, there are RSUs, PSUs and DSUs outstanding which could result in the issuance of up to 2,777,243 common shares. If exercised, these would represent approximately 0.62% of the Company's issued and outstanding shares as of that date.

If all these incentive awards are exercised and issued, such issuance will cause a reduction in the proportionate ownership and voting power of all other shareholders. The dilution may result in a decline in the market price of the Company's common shares.

8.D.22 Dilution of Shareholders' Interests as a Result of Issuances of Additional Shares

Depending on the Company's exploration, development and capital investment plans, acquisition activities, and operating and working capital requirements, the Company may issue additional common shares as a means of raising capital. In the event that the Company is required to issue additional shares or decides to enter into joint venture arrangements with other parties in order to raise financing through the sale of equity securities, investors' interests in the Company may be diluted and investors may suffer dilution in their net book value per share depending on the price at which such securities are sold.

8.D.23 Trading of the Company's Shares May Be Restricted by the SEC's "Penny Stock" Regulations Which May Limit a Stockholder's Ability to Buy and Sell the Shares

The SEC has adopted regulations which generally define "penny stock" to be any equity security that has a market price (as defined) less than \$5.00 per share or an exercise price of less than \$5.00 per share, subject to certain exceptions. The Company's securities are covered by the penny stock rules, which impose additional sales practice requirements on broker-dealers who sell to persons other than established customers and "accredited investors" (as defined). The penny stock rules require a broker-dealer to provide very specific disclosure to a customer who wishes to purchase a penny stock, prior to the purchase. These disclosure requirements may have the effect of reducing the level of trading activity in the secondary market for the stock that is subject to these penny stock rules. Consequently, these penny stock rules may affect the ability of broker-dealers to trade the Company's securities.

8.D.24 The Company Does Not Expect to Declare or Pay Any Dividends

The Company has not declared or paid any dividends on its common stock since inception, and does not anticipate paying any such dividends for the foreseeable future.

8.D.25 Credit and Counterparty Risk

Credit risk is the risk of financial loss if a customer or counterparty fails to meet its contractual obligations. The Company's credit risk relates primarily to cash and cash equivalents, trade receivables in the ordinary course of business, and value added tax refunds primarily due from the Mexico taxation authorities, and other receivables. The Company sells and receives payment upon delivery of its doré and concentrates primarily through international organizations. These are generally large and established organizations with good credit ratings. Payments of receivables are scheduled, routine and received within the specific terms of the contract. If a customer or counterparty does not meet its contractual obligations, or if they become insolvent, the Company may incur losses for products already shipped and be forced to sell greater volumes of concentrate than intended in the spot market, or there may be no market for the concentrates, and the Company's future operating results may be materially adversely impacted as a result.

8.D.26 Internal Controls over Financial Reporting

The Company documented and tested its internal controls over financial reporting during its most recent fiscal year in order to satisfy the requirements of Section 404 of the Sarbanes-Oxley Act ("SOX"). SOX requires an annual assessment by management and an independent assessment by the Company's independent auditors of the effectiveness of the Company's internal controls over financial reporting.

The Company may fail to achieve and maintain the adequacy of its internal controls over financial reporting as such standards are modified, supplemented, or amended from time to time, and the Company may not be able to ensure that it can conclude on an ongoing basis that its internal controls over financial reporting are effective. The Company's failure to maintain effective internal controls over financial reporting could result in the loss of investor confidence in the reliability of its financial statements, which in turn could harm the Company's business and negatively impact the trading price of its common shares. In addition, any failure to implement required new or improved controls, or difficulties encountered in their implementation, could harm the Company's operating results or cause it to fail to meet its reporting obligations. There can be no assurance that the Company will be able to remediate material weaknesses, if any, identified in future periods, or maintain all the controls necessary for continued compliance, and there can be no assurance that the Company will be able to retain sufficient skilled finance and accounting personnel, especially in light of the increased demand for such personnel among publicly traded companies. Future acquisitions of companies may provide the Company with challenges in implementing the required processes, procedures and controls in its acquired operations. Acquired companies may not have disclosure controls and procedures or internal control over financial reporting that are as thorough or effective as those required by the securities laws currently applicable to the Company.

No evaluation can provide complete assurance that the Company's internal control over financial reporting will detect or uncover all failures of persons within the Company to disclose material information otherwise required to be reported. The effectiveness of the Company's controls and procedures could also be limited by simple errors or faulty judgment. The challenges involved in implementing appropriate internal controls over financial reporting will likely increase with the Company's plans for ongoing development of its business and this will require that the Company continues to improve its internal controls over financial reporting. Although the Company intends to devote substantial time and incur costs, as necessary, to ensure ongoing compliance, the Company cannot be certain that it will be successful in complying with SOX.

9. DIVIDENDS

Holders of the Company's common shares are entitled to receive such dividends as may be declared from time to time by the Board, in its discretion, out of funds legally available for that purpose. The Company intends to retain future earnings, if any, for use in the operation and expansion of its business and does not intend to pay any cash dividends in the foreseeable future.

10. DESCRIPTION OF CAPITAL STRUCTURE

The Company's authorized share capital consists of an unlimited number of common shares without par value, an unlimited number of Class A preferred shares without par value issuable in series, and an unlimited number of Class B preferred shares without par value issuable in series. As at December 31, 2021, the issued share capital consisted of 445,448,855 common shares. No Class A preferred shares or Class B preferred shares were issued or outstanding.

10.A. COMMON SHARES

Subject to the rights of the holders of the Class A preferred shares and the Class B preferred shares of the Company, holders of common shares of the Company are entitled to dividends if, as and when declared by the directors. Holders of common shares of the Company are entitled to one vote per common share at meetings of shareholders except at meetings at which only holders of a specified class of shares are entitled to vote. Upon liquidation, dissolution or winding-up of the Company, subject to the rights of holders of the Class A preferred shares and the Class B preferred shares, holders of common shares of the Company are to share rateably in the remaining assets of the Company as are distributable to holders of common shares. The common shares are not subject to redemption or retraction rights, rights regarding purchase for cancellation or surrender, or any exchange or conversion rights.

10.B. CLASS A PREFERRED SHARES

Class A preferred shares may be issued from time to time in one or more series, and the directors may fix from time to time before such issue the number of Class A preferred shares of each series and the designation, rights and privileges attached thereto including any voting rights, dividend rights, redemption, purchase or conversion rights, sinking fund or other provisions. The Class A preferred shares rank in priority over common shares and any other shares ranking by their terms junior to the Class A preferred shares as to dividends and return of capital upon liquidation, dissolution or winding up of the Company or any other return of capital or distribution of the assets of the Company.

10.C. CLASS B PREFERRED SHARES

Class B preferred shares may be issued from time to time in one or more series, and the directors may fix from time to time before such issue the number of Class B preferred shares of each series and the designation, rights and privileges attached thereto including any voting rights, dividend rights, redemption, purchase or conversion rights, sinking fund or other provisions. The Class B preferred shares rank in priority over common shares and any other shares ranking by their terms junior to the Class B preferred shares as to dividends and return of capital upon liquidation, dissolution or winding up of the Company or any other return of capital or distribution of the assets of the Company.

11. MARKET FOR SECURITIES

11.A. TRADING PRICE AND VOLUME

The Company's common shares trade on the TSX and the NYSE American, trading under the symbols GPR and GPL, respectively.

The following table sets forth the price ranges in Canadian dollars and trading volume of the common shares of the Company as reported by the TSX for the periods indicated:

Period	High (CAD\$)	Low (CAD\$)	Volume
January 2021	1.23	0.95	6,511,317
February 2021	1.47	1.01	12,727,408
March 2021	1.21	0.95	7,010,154
April 2021	1.05	0.95	3,728,925
May 2021	1.07	0.83	5,799,398
June 2021	0.88	0.75	3,584,473
July 2021	0.8	0.68	1,698,943
August 2021	0.77	0.53	2,767,563
September 2021	0.68	0.55	3,751,967
October 2021	0.63	0.53	2,977,078
November 2021	0.57	0.31	12,033,838
December 2021	0.335	0.27	3,483,247

The following table sets forth the price ranges in US dollars and trading volume of the common shares of the Company as reported by the NYSE American for the periods indicated:

Period	High (USD\$)	Low (USD\$)	Volume
January 2021	0.96	0.75	49,284,440
February 2021	1.16	0.7874	206,214,260
March 2021	0.9574	0.75	66,924,890
April 2021	0.8385	0.77	29,411,280
May 2021	0.9	0.6874	66,248,020
June 2021	0.723	0.6001	43,246,980
July 2021	0.64	0.54	26,322,290
August 2021	0.625301	0.4201	39,418,670
September 2021	0.54	0.4351	29,841,440
October 2021	0.5099	0.43	31,883,630
November 2021	0.46	0.2499	195,424,710
December 2021	0.2669	0.21	80,391,050

11.B. PRIOR SALES

The following table sets forth the date, price and number of stock options that were granted by the Company during the financial year ended December 31, 2021:

Stock Options⁽¹⁾

Date of Issuance	Exercise Price per Security (C\$)	Aggregate Number
January 8, 2021	\$1.01 per share	158,486
March 19, 2021	\$1.04 per share	2,182,273
Total		2,340,759

Note:

1. As at December 31, 2021, the Company had 6,853,983 stock options outstanding.

The following table sets forth the date and number of restricted share units, performance share units and deferred share units granted by the Company in the financial year ended December 31, 2021:

Restricted Share Units, Performance Share Units and Deferred Share Units

Date of Issuance	Type of Securities Issued ⁽¹⁾	Number of Securities Issued
January 4, 2021	Deferred Share Units	17,045
January 18, 2021	Restricted Share Units	70,597
March 19, 2021	Restricted Share Units	705,673
March 19, 2021	Deferred Share Units	324,514
March 19, 2021	Performance Share Units	780,968
June 28, 2021	Deferred Share Units	439,795
August 17, 2021	Restricted Share Units	45,874
Total		2,384,466

16. Note:

1. As at December 31, 2021, the Company had 2,279,163 Deferred Share Units outstanding, 1,827,054 Performance Share Units outstanding and 1,477,475 Restricted Stock Units outstanding.

As at December 31, 2021, the Company had 9,749,727 warrants to purchase Common Shares outstanding and no warrants were granted by the Company in the financial year ended December 31, 2021.

During the year ended December 31, 2021, the Company issued an aggregate of 88,637,365 common shares, consisting of (i) 175,827 common shares issued under the ATM Facility at an average price of C\$0.45 per common share; and (ii) 88,461,538 common shares issued in November 2021 pursuant to a bought deal offering at a price of C\$0.26 per common share.

12. ESCROWED SECURITIES

As at December 31, 2021, there were no escrowed securities or securities subject to contractual restriction on transfer.

13. DIRECTORS AND OFFICERS**13.A. NAMES, OCCUPATIONS AND SECURITY HOLDINGS**

At the date of this AIF, the directors and executive officers of the Company are as follows:

Name and Residence	Office Held with the Company	Principal Occupation or Employment for the Past Five Years
ALAN HAIR, CEng MIMMM, ICD.D (4), (5) Ontario, Canada	Director of the Company since April 2020 Chair since December 28, 2021 Chair and Interim CEO since February 24, 2022	Independent Director, Gold Royalty Corp. since November 2020 Independent Director, Bear Creek Mining Corporation since September 2019 President & Chief Executive Officer, Hudbay Minerals Inc. from January 2016 to July 2019
TRUDY M. CURRAN BA, LLB, ICD.D (2), (3), (4) Calgary, Alberta	Director of the Company since June 2021	Managing director of Riversdale Resources from February 2019 to June 2019 Director, Baytex Energy Corp., since July 2016 Director, Trican Well Service Ltd., since May 2021
JOSEPH GALLUCCI, MBA, ICD.D (1), (3) Quebec, Canada	Director of the Company since April 2020	Managing Director, Head of Mining, Investment Banking, Laurentian Bank Securities Inc. since March 2019 Principal, Managing Director, Investment Banking, Eight Capital from December 2016 to January 2019 Managing Director, Head of Metals and Mining Research, Dundee Capital Markets from June 2012 to December 2016 Director, Rockridge Resources Ltd., since February 2019 Director, Skyharbour Resources Ltd., since February 2020
JOHN JENNINGS, MBA, CFA (1), (2) British Columbia, Canada	Director of the Company since June 2012	Practice Lead, Board Director and Executive Search with WATSON Advisors Inc. since October 2017 Senior Client Partner, Korn Ferry International from 2012 to May 2017
ELISE REES, FCPA, FCA, ICD.D (1), (2) British Columbia, Canada	Director of the Company since April 2017	Director of Enmax Corporation since September 2015 Director and Board Chair of EasyPark, Parking Corporation of Vancouver from 2013 to 2018 Director of Westland Insurance since 2016 to 2021 Director of the Greater Vancouver Board of Trade from 2015 to 2019
KEVIN ROSS, B.Sc. (Hon) Min Eng., MBA (3), (4), (5) British Columbia, Canada	Director of the Company since May 2019	Chief Operating Officer of Orca Gold Inc. since August 2016 Chief Operating Officer, Montage Gold Corp., a subsidiary of Orca Gold Inc., since July 2021
DANA WILLIAMS, B. Eng., MBA, CPA (1), (4), (5) Nova Scotia, Canada	Director of the Company since June 2021	Chief Executive Officer, Dana Williams Consulting Ltd., since December 2016

Name and Residence	Office Held with the Company	Principal Occupation or Employment for the Past Five Years
SANDRA DAYCOCK, CPA, CA British Columbia, Canada	Chief Financial Officer	Chief Financial Officer of the Company since June 2021 VP Corporate Finance and Treasury of the Company from March to June 2021 Director, Corporate Development at Methanex Corporation from July 2017 to March 2021 Director, Investor Relations at Methanex Corporation from April 2013 to June 2017.
FERNANDO CORNEJO Toronto, Ontario, Canada	Chief Operating Officer	Chief Operating Officer of the Company since June 2021 Vice-President Brazil Operations of the Company since January 2020 to June 2021 Vice-President, Projects & Technical Services of the Company since June 2019 to January 2020 Vice-President, Projects & Technical Services at Aura Minerals from March 2015 to June 2019

17. Notes:

1. Member of Audit Committee
2. Member of People and Culture Committee
3. Member of Nominating and Corporate Governance Committee
4. Member of the Safety, Health, Environment and Social Committee
5. Member of the Technical & Operations Committee

In addition, the Board will, from time-to-time, appoint ad-hoc committees for specific purposes as circumstances require.

Each of the directors is elected to hold office until the next annual meeting of the Company or until a successor is duly elected or appointed. The next annual meeting of the Company is expected to be held in June 2022.

As of March 2, 2022, the directors and executive officers as a group beneficially own, directly or indirectly, or exercise control or direction over 279,662 common shares representing 0.06% of the common shares outstanding before giving effect to the exercise of options to purchase common shares held by such directors and executive officers. The statement as to the number of common shares beneficially owned, directly or indirectly, or over which control or direction is exercised by the directors and executive officers of the Company as a group is based upon information furnished by the directors and executive officers.

13.B. CEASE TRADE ORDERS, BANKRUPTCIES, PENALTIES OR SANCTIONS

Other than set forth below, none of Great Panther's directors or executive officers:

- (a) are, as at the date of this AIF, or have been, within 10 years before the date of this AIF, a director, chief executive officer or chief financial officer of any company (including Great Panther) that,
- (i) was subject to cease trade order, an order similar to a cease trade order, or an order that denied the relevant company access to any exemption under securities legislation (collectively,

- an "Order") that was issued while the director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer; or
- (ii) was subject to an Order that was issued after the director or executive officer ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer;
 - (b) are, as at the date of this AIF, or has been within 10 years before the date of this AIF, a director or executive officer of any company (including Great Panther) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or
 - (c) have, within the 10 years before the date of this AIF, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director or executive officer.

In addition, none of Great Panther's directors and executive officers has been subject to:

- (d) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities' regulatory authority; or
- (e) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable shareholder in making an investment decision.

As of the date of this AIF, Great Panther is not aware of any shareholder holding a sufficient number of securities of Great Panther to affect materially the control of Great Panther.

Mr. Ross is a director of the Company. Mr. Ross was previously the Chief Operating Officer of RB Energy Inc., ("RBI") from April 2014 to May 2015. On October 14, 2014, RBI applied for and obtained an Initial Order (the "Initial Order") to commence proceedings under the *Companies' Creditors Arrangement Act* (the "CCAA") in the Québec Superior Court (the "Court"). On October 15, 2014, RBI announced that the Court issued an Amended and Restated Initial Order in respect of RBI and certain of its subsidiaries under the CCAA, which granted an initial stay of creditor proceedings to November 13, 2014. The Initial Order was subsequently extended to April 30, 2015. On May 8, 2015, the Court appointed a receiver, Duff & Phelps Canada Restructuring Inc., under the Bankruptcy and Insolvency Act, and terminated the CCAA proceedings. The TSX-de-listed RBI's common shares effective at the close of business on November 24, 2014 for failure to meet the continued listing requirements of the TSX. Mr. Ross ceased employment as Chief Operating Officer of RBI in May 2015.

13.C. CONFLICTS OF INTEREST

To the best of the Company's knowledge, and other than as disclosed herein, there are no known existing or potential material conflicts of interest between the Company (or a subsidiary of the Company) and any director or officer of the Company (or a subsidiary of the Company), except that certain of the directors and officers serve as directors, officers or members of management of other public companies and therefore it is possible that a conflict may arise between their duties as a director or officer of the Company and their duties as a director, officer, promoter or member of management of such other companies.

The directors and officers of the Company are aware of the existence of laws governing accountability of directors and officers for corporate opportunity and requiring disclosure by directors of conflicts of interest and the Company relies upon such laws in respect of any directors' and officers' conflicts of interest or in respect of any breaches of duty by any of its directors and officers. All such conflicts have been disclosed by such directors and officers in accordance with the *Business Corporations Act* (British Columbia) and they have governed themselves in respect thereof to the best of their ability in accordance with the obligations imposed upon them by law.

14. AUDIT COMMITTEE INFORMATION

14.A. AUDIT COMMITTEE CHARTER

The Audit Committee is ultimately responsible for the policies and practices relating to integrity of financial and regulatory reporting, as well as internal controls to achieve the objectives of safeguarding of corporate assets, reliability of information, and compliance with policies and laws.

The Audit Committee's charter sets out its mandate and responsibilities and is attached as Schedule "A" to this AIF.

14.B. MEMBERS OF THE AUDIT COMMITTEE

The members of the Company's Audit Committee are Dana Williams (Chair), Elise Rees, Joseph Gallucci, and John Jennings. Each of these individuals are independent and financially literate within the meaning of National Instrument 52-110 *Audit Committees*. The Board has determined that Ms. Williams and Ms. Rees are both financial experts. The relevant education and experience of each Audit Committee member are outlined below:

Dana Williams, B. Eng., MBA, CPA (Audit Committee Chair)

Ms. Williams is a seasoned executive with 25+ years of global business experience over a broad sector of industries, including mining, insurance, healthcare, engineering firms, broking and financial services. She has over ten years of mergers and acquisitions experience including Canada, the US, Brazil, Australia and Germany. Ms. Williams was the former Chief Operating Officer of Steadfast, an insurance brokerage that went public on the Australian Stock Exchange. In this role, she led both mergers and acquisitions as well as operations. She was profiled in Insurance News in Australia. Prior to that she was the Chief Financial Officer of Hub International for Eastern Canada (2008 through 2012), a Canadian insurance brokerage. She worked offshore in captive and reinsurance for 5 years with Marsh and participated in the IPO of RAM Reinsurance. She worked for Deloitte for six years in the United States. Her early career included working in the mining operations of mines in British Columbia, Ontario and Quebec. Ms. Williams holds a B.Eng. (Mining Engineering) from McGill University (Gold Medal), a Masters Business Administration from Western University (Deans List) and is a Certified Public Accountant in the United States. Ms. Williams is bilingual in English and French.

Elise Rees, FCPA, FCA, ICD.D

Ms. Rees is an experienced director, having served on the boards of a number of profit and not for profit organizations, including Board Chair, Treasurer, Audit Committee Chair. She currently serves on the Boards of Enmax Corp, K-Bro Linen Systems Inc, Artemis Gold Inc, and Great Panther Mining. Prior to her role as an independent Director, Ms. Rees had a 35 year career in public practice, with Ernst & Young LLP. Ms Rees spent 18 years as a tax and transaction partner with Ernst and Young, LLP, and was

the BC Market Leader and Managing Partner of the Transaction Advisory Practice. She has a breadth of experience in mergers and acquisitions, corporate reorganizations, and has a broad experience in a variety of industries including mining, infrastructure, transportation, energy, retail and distribution. Ms. Rees has been recognized for her leadership and service to the community with the designation of Fellow Chartered Professional Accountant, Fellow Chartered Accountant in 2007, together with several business awards for leadership in Diversity and Inclusion activities. Her awards include, 2007 Community Builder Award, Association of Women in Finance, Influential Women in Business Award (2007), Ernst and Young Rosemary Meschi Award for Advancing Gender Diversity and was recognized as a Top 100 Women in Canada in 2015 by Women's Executive Network. Ms. Rees has a B.A. (Hons) from the University of Strathclyde, Scotland, and is a graduate of the ICD-Rotman Directors Education Program with the designation ICD.D.

Joseph Gallucci, MBA, ICD.D

Mr. Gallucci is a senior capital markets executive and corporate director with over 20 years of experience in investment banking and equity research. His career focused on mining, base metals, precious metals and bulk commodities on a global scale. He is currently the Managing Director and Head of Investment Banking at Laurentian Bank Securities Inc. where he oversees the investment banking practice in entirety.

His career has spanned across various firms including BMO Capital Markets, GMP Securities, Dundee Securities, and he was a founding principal of Eight Capital where he led their Mining Investment Banking Team.

In his previous and current roles, he has acquired experience in corporate finance, mergers, acquisitions, business and operational development, financings and corporate strategy. He has been directly involved in raising several billion dollars for mining companies as well as lead advisor on significant M&A transactions.

Prior to investment banking, Mr. Gallucci spent over a decade in equity research with a focus on global mining at both GMP and Dundee Securities. At Dundee Securities, he was a Managing Director and Head of the Metals and Mining Research Team, where he oversaw the entire mining franchise.

He holds a Bachelor of Commerce degree from Concordia University and an MBA in Investment Management from the Goodman Institute of Investment Management. He also holds the ICD.D designation.

John Jennings, MBA, CFA

Mr. Jennings is employed as Practice Co-Lead, Board Director and Executive Search with WATSON Advisors Inc., a leading consulting firm focused on corporate governance and recruiting board directors and executive talent. Prior to joining WATSON in October 2017, he was a Senior Client Partner with Korn Ferry International from 2012 to April 2017. Upon earning his B.Sc. (Chemistry) from Western University, Mr. Jennings started a career in precious metals mining operations before becoming a sell-side mining analyst in Toronto. Following completion of his Master of Business Administration from London Business School, he entered a 26-year career in investment banking with leading firms in the UK and Canada, including as CEO of an investment firm. Mr. Jennings is an experienced director, having served on the boards of several for profit and purpose-driven organizations, including as Board Chair. He currently serves on the Executive Committee of the BC Chapter of the Institute of Corporate Directors and the Faculty Advisory Board of the Sauder School of Business at the University of British Columbia. He holds the designation of Chartered Financial Analyst.

14.C. PRE-APPROVAL POLICY

The Audit Committee has adopted specific policies for the engagement of non-audit services to be provided to the Company by the external auditor.

Annually, the Audit Committee pre-approves a budget for specified non-audit services within which limits the Company may contract the services of the Company's external auditor.

14.D. EXTERNAL AUDITOR SERVICE FEES

The following table sets out the aggregate fees billed to the Company by its external auditor, KPMG LLP, in each of the last two fiscal years:

Category	Year ended December 31, 2021	Year ended December 31, 2020
Audit Fees ⁽¹⁾	C\$987,174	C\$ 991,875
Audit-Related Fees	Nil	Nil
Tax Fees ⁽²⁾	Nil	Nil
All Other Fees ⁽³⁾	C\$ 22,500	C\$ 19,000
Total	C\$ 1,009,674	C\$ 1,010,875

Notes:

1. "Audit Fees" include fees billed by the Company's auditor for the 2021 and 2020 periods related to the audits of the Company's consolidated financial statements and internal controls over financial reporting, and the reviews of the Company's interim financial statements.
2. "Tax Fees" are not billed to the Company as tax services are not provided to the Company by the Company's auditor.
3. "All Other Fees" include fees billed for the involvement with payroll audits of the Company's Mexican subsidiaries.

15. LEGAL PROCEEDINGS AND REGULATORY ACTIONS

During the financial year ended December 31, 2021, the Company was party to the following legal proceedings that relate to the Tucano mine, as described in the Company's audited consolidated financial statements for the years ended December 31, 2021 and 2020 (the "Audited Financial Statements"). Additional information regarding the accounting for these legal proceedings is included in the Audited Financial Statements. In addition to these legal proceedings, the Company may from time to time become and is, party to litigation incidental to its business. Such other litigation matters are presently deemed by the Company to not be material on the basis that they do not involve any claim on an individual basis for damages in excess of ten per cent of the current assets of the Company.

15.A. VARIOUS CLAIMS RELATED TO BRAZIL INDIRECT TAXES AND LABOUR MATTERS

The Company has various litigation claims for a number of governmental assessments related to indirect taxes, and labour disputes associated with former employees and contract labor in Brazil.

The indirect tax matter principally relates to claims for the state sales tax, Imposto Sobre Operações Relativas à Circulação de Mercadorias e Serviços de Transporte Interestadual de Intermunicipal e de Comunicações ("ICMS"), which are mostly related to rate differences. For these claims, the possibility of loss was not considered probable by the Company's Brazilian attorneys, and no provision has been recognized in the Audited Financial Statements.

The labour matters principally relate to claims made by former employees and contract labour for the equivalent payment of all social security and other related labour benefits, as well as consequential tax claims, as if they were regular employees. As of December 31, 2021, the items for which a loss was

probable related to the labour disputes, inclusive of any related interest, amounted to approximately \$1.4 million, for which a provision was recognized.

15.B. ENVIRONMENTAL DAMAGES - WILLIAM CREEK

In May 2009, The State of Amapá Public Prosecutor ("MPAP") filed a public civil action seeking payment for environmental damages caused to William Creek, as well as to other creeks located in the region of influence of the Zamin Amapá Mineração ("Zamin") and Tucano mines. The alleged damage is related to the modification of the creek's riverbed, soiling and sedimentation. In January 2018, the Amapá State Court ordered Mina Tucano to pay a fine of approximately \$1.2 million (BRL 6.0 million plus interest and inflation counted as from the date of the damage) to the State Environmental Fund. As at December 31, 2021, the updated value with interest and inflation is approximately \$5.8 million (BRL 31.6 million). The Company is in the process of appealing and the likelihood of total loss is not considered probable based on legal advice received. However, an adjusted lower fine is considered probable and the Company has accrued the amount payable considered more likely than not in long-term other liabilities, representing the Company's best estimate of the cost to settle the claim.

15.C. CYANIDE USAGE

In October 2018, the public prosecutor's office of labor affairs for the State of Amapá filed a public civil action seeking payment for potential damages and medical costs in relation to the Company's employees' exposure to cyanide used in the processing of its gold. In August 2019, a regional labour court ordered Mina Tucano to pay compensation of approximately BRL 4 million plus interest and inflation for these damages, in addition to surveillance and funding medical costs of any diseases to Mina Tucano's internal and outsourced employees and former employees, and to stop using cyanide in its production process within one year from the final non-appealable decision on the proceedings. Mina Tucano is in the process of appealing to a Federal Superior Labour Court all aspects of the regional labour court decision. In March 2020, it was accepted that the appeal, exclusively with respect to whether or not the use of cyanide may continue, be admitted for consideration by the Federal Superior Labour Court and the balance of the decision has not yet been accepted for consideration and is under appeal. Mina Tucano is not aware of any circumstances of former or current employees who have suffered health consequences from exposure to cyanide at the Company's operations. In addition, the Company notes that the use of cyanide in the processing of gold is common in the industry within Brazil and is not prohibited by any federal law in Brazil and that the Company complies with proper safety standards in the use and handling of cyanide in its operations. The Company believes the claims are without merit and that it is too early in the process to be able to determine the ultimate outcome. This assessment will be reviewed after a decision is reached on whether an appeal will be admitted to Superior Labor Court.

15.D. DECEMBER 2021 NOTICES OF INFRACTIONS

On December 30, 2021, the Company announced that it intended to file a defense to three Notices of Infraction (the "Notices") that were delivered by SEMA to Mina Tucano, on December 21, 2021. The Notices were issued in connection with the SEMA's investigation of a fish mortality event at Areia and Silvestre Creeks, and its assertion that the incident was caused by a leak in a reclaimed water pipe at the Mina Tucano mine site. The Notices impose aggregate fines of BRL 50 million (approximately \$9.0 million at December 31, 2021).

The Company has filed its defense applying for the cancellation of the infraction notices issued by SEMA and has not paid the fines while its defense is being heard. Preliminary water quality assaying and fish toxicology results, point to the absence of a causal link between the activities of the Tucano mine and the Event. The Company has been working collaboratively with authorities, providing access to all necessary information. Furthermore, the Company reinforces its commitment to the local community and the state of Amapá and has supported the local authorities in their assistance efforts.

16. INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Other than as stated elsewhere in this AIF and in the Annual Financial Statements, to the best of the Company's knowledge, none of the Company's directors, executive officers or any shareholder who beneficially owns or controls or directs, directly or indirectly, more than 10% of any class or series of voting securities of the Company, or any of their respective associates or affiliates, had any material interest, directly or indirectly, in any transaction within the three most recently completed financial years or during the current financial year that has materially affected or is reasonably expected to affect the Company.

17. TRANSFER AGENTS AND REGISTRARS

The transfer of the Company's common shares is managed by Computershare Investor Services. The register of transfers for the common shares of the Company is located at 510 Burrard Street, 3rd Floor, Vancouver, British Columbia, Canada, V6C 3B9.

18. MATERIAL CONTRACTS

18.A. LIST OF MATERIAL CONTRACTS

Below is a list of material contracts entered into and still in effect, which have been filed on SEDAR in accordance with the requirements of Section 12.2 of NI 51-102, each as defined below, unless otherwise noted:

1. Coricancha Agreements; and
2. ATM Offering Agreement.

Except as set forth above, the Company is not at present party to any other material contracts, other than material contracts entered into in the ordinary course of business and upon which the Company's business is not substantially dependent.

18.B. DESCRIPTION OF MATERIAL CONTRACTS

18.B.1 Coricancha Agreements

The Coricancha Agreements are defined and described in Section 6.A.1 of this AIF.

18.B.2 ATM Facility

On October 15, 2021, the Company entered into an ATM Offering Agreement with H.C. Wainwright, pursuant to which the Company may issue up to \$25.0 million in common shares of the Company at

prevailing market prices during the term of the ATM Agreement (the "ATM Facility"). The ATM Facility replaces the Company's prior \$25.0 million ATM Facility, which expired on August 3, 2021. The Company will pay to H.C. Wainwright a placement fee of up to 3.0% for common shares sold under the ATM Offering Agreement, together with the reimbursement for certain expenses incurred therein. The Company raised \$0.1 million in 2021 relating to the issuance of shares under the ATM Facility. The Company may continue to raise capital via the ATM Facility from time to time in 2022.

19. INTERESTS OF EXPERTS

The following is a list of the persons or companies named as having prepared or certified a report, valuation, statement or opinion described or included in a filing, or referred to in a filing, made under National Instrument 51-102 by the Company during, or relating to, Company's most recently completed financial year, and whose profession or business gives authority to the report, valuation, statement or opinion made by the person or company:

- (i) **Auditors:** KPMG LLP is the external auditor of the Company and reported on the Company's audited financial statements for the years ended December 31, 2021, and 2020, filed on SEDAR. KPMG LLP are the auditors of the Company and have confirmed with respect to the Company that they are independent within the meaning of the relevant rules and related interpretations prescribed by the relevant professional bodies in Canada and any applicable legislation or regulations and also that they are independent accountants with respect to the Company under all relevant US professional and regulatory standards.
- (ii) **Tucano Technical Report Authors:** Messrs. Fernando A. Cornejo, M.Eng., P. Eng., Neil Hepworth, M.Sc., C. Eng., MIMMM, Carlos H. B. Pires, B.Sc. Hons, MAusIMM CP. (Geo), Nicholas R. Winer, B.Sc Hons., FAusIMM, each of whom is from Great Panther, and Reno Pressacco, M.Sc.(A), P.Geo. and Tudorel Ciuculescu, M.Sc., P.Geo., each from Roscoe Postle Associates Inc., co-authored the technical report entitled "Amended and Restated Technical Report on the 2020 Mineral Reserves and Mineral Resources of The Tucano Gold Mine, Amapá State, Brazil" dated February 2, 2021, with an effective date of September 30, 2020;
- (iii) **Topia Technical Report:** Co-Authors, GMC Technical Report: Robert F. Brown, P. Eng. and Mohammad Nourpour, P. Geo. authored the technical report entitled "NI 43-101 Report on the Topia Mine Mineral Resource Estimates as of March 31, 2021" dated February 10, 2022, with an effective date of March 31, 2021,
- (iv) **GMC Technical Report:** Co-Authors, Topia Technical Report: Robert F. Brown, P. Eng., and Mohammad Nourpour, P. Geo. Authored the technical report entitled "NI 43-101 Mineral Resource Update Technical Report on the Guanajuato Mine Complex, Guanajuato and San Ignacio Operations, Guanajuato State, Mexico" dated February xx, 2022, with an effective date of July 31;
- (v) **GMC 2017 Technical Report:** Author, Robert F. Brown authored the technical report entitled "NI 43-101 Technical Report on the Guanajuato Mine Complex Claims and Mineral Resource Estimations for the Guanajuato Mine, San Ignacio Mine, and El Horcón and Santa Rosa Projects", dated February 20, 2017, with an effective date of the information related to the El Horcón and Santa Rosa Projects of August 31, 2016.

- (vi) **Coricancha Technical Report Authors:** Ronald Turner, MAusIMM CP (Geo) from Golder, Daniel Saint Don, P. Eng., previously from Golder, and Jeffrey Woods, P.E., previously from Golder, co-authored the technical report entitled "NI 43-101 Technical Report Summarizing the Preliminary Economic Assessment of the Coricancha Mine Complex", dated July 13, 2018. The Coricancha Technical Report was submitted by Golder as Report Assembler of the work prepared by or under the supervision of the foregoing authors and Qualified Persons.

To the Company's knowledge, each of the aforementioned firms or persons did not hold more than 1% of the outstanding securities of the Company or of any associate or affiliate of the Company when they prepared the reports referred to above or following the preparation of such reports. None of the aforementioned firms or persons received any direct or indirect interest in any securities of the Company or of any associate or affiliate of the Company in connection with the preparation of such reports.

Mr. Cornejo, Chief Operating Officer of Great Panther, Mr. Winer, Vice President of Exploration, Brazil, Mr. Pires, Master Geologist, Mina Tucano Ltda, Mr. Hepworth, former Chief Operating Officer of Great Panther, Mr. Nourpour, Resource Geologist, and Mr. Brown, Resource Consultant, are each current or former employees of the Company or its subsidiaries. Based on information provided by the relevant persons, except as set forth above, none of the aforementioned firms or persons, nor any directors, officers or employees of such firms are currently expected to be elected, appointed or employed as a director, officer or employee of the Company or of any associate or affiliate of the Company.

20. PROMOTERS

No person or company has been a promoter of the Company within the two most recently completed financial years or during the current financial year.

21. ADDITIONAL INFORMATION

Additional information relating to the Company may be found on SEDAR at www.sedar.com.

Additional information including directors' and officers' remuneration and indebtedness, principal holders of the Company's securities, and securities authorized for issuance under equity compensation plans, as applicable, is contained in the Company's information circular for its most recent annual general meeting.

Additional financial information is provided in the Audited Financial Statements and 2021 MD&A which may be obtained upon request from Great Panther's head office or may be viewed on the Company's website (www.greatpanther.com) or on the SEDAR website under the issuer's profile (www.sedar.com).

22. SCHEDULE "A" CHARTER OF THE AUDIT COMMITTEE

GREAT PANTHER MINING LIMITED (the "Company")

CHARTER OF THE AUDIT COMMITTEE

1) MANDATE

The mandate of the Audit Committee (the "Committee") of the board of directors (the "Board") of the Great Panther Mining Limited (the "Company") is to:

- a) assist the Board in fulfilling its oversight responsibilities in respect of:
 - i) the quality and integrity of the Company's financial statements, financial reporting processes and systems of internal controls and disclosure controls regarding risk management, finance, accounting, and legal and regulatory compliance;
 - ii) ensuring the independence and qualifications of the Company's external auditor and recommending to the Board a qualified external auditor to be nominated for approval by the Company's shareholders at each annual reference date;
 - iii) recommending to the Board the compensation of the external auditor;
 - iv) requiring the rotation of the audit partner every five years as required under Section 203 of the Sarbanes-Oxley Act of 2002 and that the external auditor provide a plan for the orderly transition of audit engagement team members;
 - v) overseeing the work of the Company's external auditor for the purpose of preparing or issuing an auditor's report or performing other audit, review or attestation services for the Company;
 - vi) the review of the periodic audits performed by the Company's external auditors and the Company's internal accounting department;
 - vii) management's development and implementation of policies and processes in respect of accounting and financial reporting matters;
 - viii) pre-approving all of the non-audit services to be provided by the Company's external auditor to the Company or its subsidiaries;
 - ix) reviewing with management management's evaluation of the effectiveness of internal controls; and
 - x) assessing the Company's enterprise risk management framework.
- b) provide and establish open channels of communication between the Company's management, internal accounting department, external auditor and directors;

- c) oversight of all filings and disclosure documents required to be prepared by the Company pursuant to all applicable federal, provincial and state securities legislation and the rules and regulations of all securities commissions having jurisdiction over the Company;
- d) review and confirm the adequacy of procedures for the review of all public disclosure of financial information extracted or derived from the Company's financial statements, and periodically assess the adequacy of those procedures; and
- e) establish procedures for:
 - i) the receipt, retention and treatment of complaints or concerns received by the Company regarding accounting, internal accounting controls or auditing matters, including, but not limited to, concerns about questionable accounting or auditing practices; and
 - ii) the confidential, anonymous submission by employees of the Company of such complaints or concerns.

The Committee will primarily fulfil its mandate by performing the duties set out in Section 7 hereof.

The Board and management of the Company will ensure that the Committee has adequate funding to fulfil its mandate.

2) COMPOSITION

The Committee will be comprised of members of the Board, the number of which will be determined from time to time by resolution of the Board, but will in no event be less than three directors. The composition of the Committee will be determined by the Board such that the membership and independence requirements set out in the rules and regulations, in effect from time to time, of any securities commissions (including, but not limited to, the Securities and Exchange Commission and the British Columbia Securities Commission) and any exchanges upon which the Company's securities are listed (including, but not limited to, the Toronto Stock Exchange and the NYSE American) are satisfied (the said securities commissions and exchanges are hereinafter collectively referred to as the "Regulators"). All members shall, to the satisfaction of the Board of Directors, be "financially literate" as defined in NI 52-110 and meet the NYSE American financial literacy requirements. At least one member of the Committee shall have accounting or related financial management expertise to qualify as a "financial expert" as defined under SEC Regulation S-K.

3) TERM OF OFFICE

The members of the Committee will be appointed or re-appointed by the Board on an annual basis. Each member of the Committee will continue to be a member thereof until such member's successor is appointed, or until such member resigns or is removed by the Board. The Board may remove or replace any member of the Committee at any time. However, a member of the Committee will automatically cease to be a member of the Committee upon either ceasing to be a director of the Board or ceasing to meet the requirements established, from time to time, by any Regulators. Vacancies on the Committee will be filled by the Board.

4) COMMITTEE CHAIR

The Board, or if it fails to do so, the members of the Committee, will appoint a chair from the members of the Committee. If the chair of the Committee is not present at any meeting of the Committee, an acting chair for the meeting will be chosen by majority vote of the Committee from among the members present. In the case of a deadlock in respect of any matter or vote, the chair will refer the matter to the Board for resolution. The Committee may appoint a secretary who need not be a member of the Board or Committee.

The Chair of the Committee:

- a) provides leadership to the Committee with respect to its functions as described in this Charter and as otherwise may be appropriate, including overseeing the logistics of the operations of the Committee;
- b) chairs meetings of the Committee, unless not present, including in camera sessions, and reports to the Board following each meeting of the Committee on the findings, activities and any recommendations of the Committee;
- c) ensures that the Committee meets as often as it deems necessary, but will not meet less than once quarterly;
- d) in consultation with the Chair of the Board and the Committee members, establishes a calendar for holding meetings of the Committee;
- e) establishes the agenda for each meeting of the Committee, with input from other Committee members, the Chair of the Board, and any other parties as applicable;
- f) acts as liaison and maintains communication with the Chair of the Board and the Board to optimize the effectiveness of the Committee. This includes reporting to the full Board on all proceedings and deliberations of the Committee at the first meeting of the Board after each Committee meeting and at such other times and in such manner as the Committee considers advisable;
- g) reports annually to the Board on the role of the Committee and the effectiveness of the Committee in contributing to the objectives and responsibilities of the Board as a whole;
- h) ensures that the members of the Committee understand and discharge their duties and obligations;
- i) fosters ethical and responsible decision making by the Committee and its individual members;
- j) together with the Corporate Governance and Nominating Committee and its individual members, ensures that resources and expertise are available to the Committee so that it may conduct its work effectively and efficiently, and pre-approves work to be done for the Committee by consultants;
- k) facilitates effective communication between members of the Committee and management; and
- l) performs such other duties and responsibilities as may be delegated to the Chair by the Board from time to time.

5) MEETINGS

The time and place of meetings of the Committee and the procedures at such meetings will be determined, from time to time, by the members thereof, provided that:

- a) a quorum for meetings will be a majority of the members of the Committee, present in person or by telephone or other telecommunication device that permits all persons participating in the meeting to speak to and hear each other. The Committee will act on the affirmative vote of a majority of members present at a meeting at which a quorum is present. The Committee may also act by unanimous written consent in lieu of meeting;
- b) the Committee may meet as often as it deems necessary, but will not meet less than once quarterly;
- c) the Committee shall meet within 45 days following the end of each of the first three financial quarters to review and discuss the unaudited financial results for the preceding quarter and the related MD&A and shall meet within 90 days following the end of the fiscal year end to review and discuss the audited financial results for the year and related MD&A prior to their publishing;
- d) the Committee may ask members of management or others to attend meetings and provide pertinent information as necessary. For purposes of performing their audit related duties, members of the Committee shall have full access to all corporate information and shall be permitted to discuss such information and any other matters relating to the financial position of the Company with senior employees, officers and independent auditors of the Company;
- e) as part of its job to promote and foster open communication, the Committee should meet at least annually (or more frequently as required) with management, the internal auditor and the independent auditor in separate executive sessions to discuss any matters that the Committee or each of these groups believe should be discussed privately. In addition, the Committee or at least its Chair should meet with the independent auditor and management quarterly to review the Company's financial statements;
- f) notice of the time and place of every meeting will be given in writing and delivered in person or by facsimile or other means of electronic transmission to each member of the Committee at least 48 hours prior to the time of such meeting; and
- g) the Committee will maintain written minutes of its meetings, which minutes will be filed with the minutes of the meetings of the Board. The Committee will make regular reports of its meetings to the Board, directly or through its chair, accompanied by any recommendations to the Board approved by the Committee.

6) **AUTHORITY**

The Committee will have the authority to:

- a) retain (at the Company's expense) its own legal counsel, accountants and other consultants that the Committee believes, in its sole discretion, are needed to carry out its duties and responsibilities;

- b) set and pay the compensation for any advisors as it determines necessary to carry out its duties;
- c) conduct investigations that it believes, in its sole discretion, are necessary to carry out its responsibilities;
- d) delegate to one of its members the authority to pre-approve non-audit services provided by the Company's external auditor;
- e) take whatever actions it deems appropriate, in its sole discretion, to foster an internal culture within the Company that results in the development and maintenance of a superior level of financial reporting standards, sound business risk practices and ethical behaviour; and
- f) request that any director, officer or employee of the Company, or other persons whose advice and counsel are sought by the Committee (including, but not limited to, the Company's legal counsel and the external auditors) meet with the Committee and any of its advisors and respond to their inquiries.

7) SPECIFIC DUTIES

In fulfilling its mandate, the Committee will, among other things:

- a) with respect to the external auditor:
 - i) select the external auditor, based upon criteria developed by the Committee, to recommend that the board nominate the same for approval by the shareholders of the Company;
 - ii) approve all audit and non-audit services in advance of the provision of such services and recommend to the Board the fees and other compensation to be paid to the external auditors;
 - iii) oversee the services provided by the external auditors for the purpose of preparing or issuing an audit report or related work;
 - iv) review the performance of the external auditors, including, but not limited to, the partner of the external auditors in charge of the audit, and, in its discretion, approve any proposed discharge of the external auditors when circumstances warrant, and recommend any new external auditors for appointment. Notwithstanding any other provision of this Charter, the external auditor will be ultimately accountable to the Board and the Committee, as representatives of the shareholders of the Company; and
 - v) periodically review and discuss with the external auditors all significant relationships that the external auditors have with the Company to determine the independence of the external auditors. Without limiting the generality of the foregoing, the Committee will ensure that it receives, on an annual basis, a formal written statement from the external auditor that sets out all relationships between the external auditor and the Company, and receives an opinion on the financial statements consistent with all professional standards that are applicable to the external auditor (including, but not limited to, those established by any securities legislation and regulations, the Canadian Institute of Chartered

Professional Accountants, Canadian generally accepted auditing standards and the standards of the Public Company Accounting Oversight Board (United States) and the American Institute of Certified Public Accountants, and those set out in the International Financial Reporting Standards as issued by the International Accounting Standards Board);

- b) evaluate, in consultation with the Company's management, the internal accounting department and external auditors, the effectiveness of the Company's processes for assessing significant risks or exposures and the steps taken by management to monitor, control and minimize such risks; and obtain, annually, a letter from the external auditors as to the adequacy of such controls;
- c) in connection with its risk management function, periodically, and no less than once a year, consider and discuss risks and the steps management has taken to monitor and control such exposures, including the top risks identified by management and the policies and practices adopted by the Company to mitigate those risks. This process should include, without limitation, consideration of:
 - i) management's assessment of risks and steps taken to address significant risks or exposure;
 - ii) financial risks associated with investing, hedging or other financial instruments;
 - iii) privacy cyber security risk exposures and measures taken to protect the security and integrity of the Company's management information systems and Company data;
 - iv) management's assessment of internal control risks and exposures and steps taken by management to minimize such risks;
 - v) litigation and reputational risks;
 - vi) climate change and carbon taxes/carbon usage restrictions risk;
 - vii) the Company's crisis management and response plans and business continuity plans (including work stoppage and disaster recovery plans); and
 - viii) climate change and carbon taxes/carbon usage restrictions risk;
- d) consider, in consultation with the Company's external auditors and internal accounting department, the audit scope and plan of the external auditors and the internal accounting department;
- e) coordinate with the Company's external auditors the conduct of any audits to ensure completeness of coverage and the effective use of audit resources;
- f) assist in the resolution of disagreements between the Company's management and the external auditors regarding the preparation of financial statements; and in consultation with the external auditors, review any significant disagreement between management and the external auditors in connection with the preparation of the financial statements, including management's responses thereto;
- g) after the completion of the annual audit, review separately with each of the Company's management, external auditors and internal accounting department the following:

- i) the Company's annual financial statements and related footnotes;
 - ii) the external auditors' audit of the financial statements and their report thereon;
 - iii) any significant changes required in the external auditors' audit plan;
 - iv) any significant difficulties encountered during the course of the audit, including, but not limited to, any restrictions on the scope of work or access to required information;
 - v) the Company's guidelines and policies governing the process of risk assessment and risk management; and
- h) other matters related to the conduct of the audit that must be communicated to the Committee in accordance with the standards of any regulatory body (including, but not limited to, securities legislation and regulations, the Canadian Institute of Chartered Professional Accountants - Chartered Accountants, International Financial Reporting Standards as issued by the International Accounting Standards Board, Canadian generally accepted auditing standards, the Public Company Accounting Oversight Board (United States), and the American Institute of Certified Public Accountants);
- i) consider and review with the Company's external auditors (without the involvement of the Company's management and internal accounting department):
 - i) the adequacy of the Company's internal controls and disclosure controls, including, but not limited to, the adequacy of computerized information systems and security;
 - ii) the truthfulness and accuracy of the Company's financial statements; and
 - iii) any related significant findings and recommendations of the external auditors and internal accounting department, together with management's responses thereto;
- j) consider and review with the Company's management and internal accounting department:
 - i) significant findings during the year and management's responses thereto;
 - ii) any changes required in the planned scope of their audit plan;
 - iii) the internal accounting department's budget and staffing; and
 - iv) the internal auditor department's compliance with the appropriate internal auditing standards;;
- k) establish systems for the regular reporting to the Committee by each of the Company's management, external auditors and internal accounting department of any significant judgments made by management in the preparation of the financial statements and the opinions of each as to appropriateness of such judgments;
- l) review (for compliance with the information set out in the Company's financial statements and in consultation with the Company's management, external auditors and internal accounting department, as applicable) all filings made with Regulators and government agencies, and other published documents that contain the Company's

financial statements before such filings are made or documents published (including, but not limited to:

- i) any certification, report, opinion or review rendered by the external auditors;
 - ii) any press release announcing earnings (especially those that use the terms "pro forma", "adjusted information" and "not prepared in compliance with generally accepted accounting principles"); and
 - iii) all financial information and earnings guidance intended to be provided to analysts, the public or to rating agencies);
- m) prepare and include in the Company's annual proxy statement or other filings made with Regulators any report from the Committee or other disclosures required by all applicable federal, provincial and state securities legislation and the rules and regulations of Regulators having jurisdiction over the Company;
- n) review with the Company's management:
 - i) the adequacy of the Company's insurance and fidelity bond coverage, reported contingent liabilities and management's assessment of contingency planning;
 - ii) management's plans in respect of any changes in accounting practices or policies and the financial impact of such changes;
 - iii) any major areas in that, in management's opinion, have or may have a significant effect upon the financial statements of the Company; and
 - iv) any litigation or claim (including, but not limited to, tax assessments) that could have a material effect upon the financial position or operating results of the Company.
- o) annually review the Company's directors' and officers' third-party liability insurance to ensure adequacy of coverage;
- p) periodically, and no less than once a year, consider and discuss the Company's legal and ethics compliance matters. The Committee should meet at least once a year with the Company's legal counsel to discuss these matters. These matters should include, without limitation, consideration of:
 - i) legal and regulatory compliance matters that could have a material impact on the Company's business, operations or financial statements;
 - ii) the effectiveness of the Company's disclosure controls and procedures in ensuring compliance by the Company with securities law and stock exchange disclosure requirements; and
 - iii) an annual review of the appropriateness and effectiveness of the Company's compliance policies.
- q) at least annually, review with the Company's legal counsel and accountants all legal, tax or regulatory matters that may have a material impact on the Company's financial statements, operations and compliance with applicable laws and regulations;

- r) review and update periodically a Code of Business Conduct and Ethics for the directors, officers and employees of the Company; and review management's monitoring of compliance with the Code of Business Conduct and Ethics;
- s) review and update periodically the procedures for the receipt, retention and treatment of complaints and concerns by employees received by the Company regarding accounting, internal accounting controls or auditing matters, including, but not limited to, concerns regarding questionable accounting or auditing practices;
- t) consider possible conflicts of interest between the Company's directors and officers and the Company; and approve for such parties, in advance, all related party transactions;
- u) review policies and procedures in respect of the expense accounts of the Company's directors and officers, including, but not limited to, the use of corporate assets;
- v) review annually and update this Charter and recommend any proposed changes to the Board for approval, in accordance with the requirements of all applicable federal, provincial and state securities legislation and the rules and regulations of Regulators having jurisdiction over the Company;
- w) review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former external auditors of the Company; and
- x) perform such other functions, consistent with this Charter, the Company's constating documents and governing laws, as the Committee deems necessary or appropriate.

Last presented by the Committee for review and approval to, and so approved by, the Board of Directors on November 3, 2021 (previously on November 4, 2020).

This is **Exhibit "J"** referred to in the Affidavit of **Sandra Daycock**, affirmed before me at Vancouver, British Columbia, this 28th day of September, 2022.

A handwritten signature in blue ink, consisting of a series of fluid, connected strokes that form a stylized representation of the name of the Commissioner for Oaths.

A Commissioner for Oaths for
the Province of British Columbia

**LETTER OF INTENT
CONCERNING THE PURCHASE AND SALE OF
GREAT PANTHER PERU HOLDINGS LTD. AND GREAT PANTHER SILVER PERU S.A.C.**

This Letter of Intent is executed this 12th day of September, 2022 by and between Great Panther Mining Limited, a company organized under the laws of British Columbia ("**GPML**"), and Newrange Gold Corp., a company organized under the laws of British Columbia ("**NRG**"). GPML and NRG are herein referred to each individually as a "**Party**" and together as the "**Parties**."

WHEREAS GPML is the sole shareholder of each of Great Panther Peru Holdings Ltd., a company organized under the laws of British Columbia ("**Peru Holdings**") and Great Panther Silver Peru S.A.C., a company organized under the laws of Peru ("**GPS**");

AND WHEREAS Peru Holdings and GPS together own all of the issued and outstanding shares of Great Panther Coricancha S.A.C., a company organized under the laws of Peru ("**GPC**"), which in turn owns the Coricancha Mine in Peru (the "**Mine**"), as more particularly described in the continuous disclosure documents of GPML filed on SEDAR at www.sedar.com;

AND WHEREAS NRG, wishes to purchase Peru Holdings and GPS from GPML so as to acquire GPC and the Mine;

AND WHEREAS GPML wishes to sell Peru Holdings and GPS;

AND WHEREAS discussions have been held between the Parties with respect to a purchase-and-sale transaction whereby GPML would sell all of the issued and outstanding shares of each of Peru Holdings and GPS (together, the "**Shares**") to NRG, or to a direct or indirect subsidiary of NRG (the "**Transaction**");

NOW THEREFORE, this Letter of Intent (the "**Letter of Intent**") confirms the Parties' mutual intentions with respect to proceeding with a Transaction, it being understood that the purpose of this Letter of Intent is to set out sufficient details of the Parties' intended Transaction in order to serve as the basis for the further negotiation and preparation of a share purchase agreement (a "**Definitive Agreement**"). While this Letter of Intent may contain most of the elements of an eventual Transaction, this Letter of Intent is not intended to be a binding agreement, except to the extent expressly stated herein. For the avoidance of doubt, a binding obligation to carry out a Transaction, if any, shall only come into being upon the execution and delivery of a Definitive Agreement and the satisfaction of such conditions to such obligation as are stated therein.

1. **Exclusivity.** During the period beginning on the date hereof and continuing until the earliest of: (i) the date which is 42 calendar days after the date hereof; (ii) the date, if any, on which this Letter of Intent is terminated pursuant to Section 10 below; and (iii) the date, if any, on which the Parties enter into a Definitive Agreement (the "**Exclusivity Period**"), GPML shall not, and shall cause its affiliates, directors, officers, employees, agents, consultants, advisors or other representatives, including outside legal counsel, accountants and financial advisors ("**Representatives**") not to take any action to, solicit from, or negotiate with, any person other than NRG or its Representatives, any purchase or sale of the Shares, GPC or the Mine.
2. **Transaction.** It is the Parties' mutual intent that the Transaction shall take the form of NRG or a direct or indirect subsidiary of NRG purchasing the Shares from GPML. The Shares will be sold on an "as is" basis, and Great Panther does not make any representations regarding GPC or its business, and shall not make any such representations in any Definitive Agreement. Furthermore, the Parties acknowledge their mutual expectation that the representations and warranties given by GPML in any Definitive

Agreement shall be limited to customary representations and warranties concerning (i) GPML's ownership of the Shares and its corporate authority to undertake the Transaction; (ii) Peru Holdings and GPS's ownership of the issued and outstanding shares of GPC; and (iii) the existence and validity of the Bonds and the existence of the Collateral (each as defined below).

3. **Purchase Price.** NRG shall pay to GPML US\$750,000 (the "**Purchase Price**") upon the consummation of a Transaction pursuant to a Definitive Agreement.
4. **Reclamation Bond.** The Parties acknowledge that GPC has, as security for its closure obligations respecting the Mine, delivered to the Ministry of Energy and Mines of Peru two mine closure surety bonds, issued by a Peruvian insurance company and having a combined value of US\$10,971,424 (the "**Bonds**"), which Bonds are supported by US\$9,021,424 in cash collateral deposited in the name of GPC with the relevant insurance company (the "**Collateral**"), and the Parties intend that the Bonds and the Collateral shall remain in place on the closing of a Transaction. GPML shall not be responsible for any other bonding or collateral requirements.
5. **Environmental and Other Obligations.** The Parties acknowledge that GPC is subject to an asset retirement obligation imposed by the government of Peru with respect to certain historic tailings at the Mine, as well as other outstanding environmental and other obligations (the "**Obligations**"), and the Parties agree that it is their mutual intent that, upon the consummation of any Transaction, all such Obligations shall continue to be borne by GPC.
6. **Cash in GPC.** The Parties intend to set forth in any Definitive Agreement their mutual expectation that GPC will have close to no cash upon the consummation of the Transaction, as well as providing in any Definitive Agreement that there shall be no working capital adjustment.
7. **Bankruptcy of GMPL; Court Approval.** NRG acknowledges that GMPL has filed a notice of intention to make a proposal under Canada's Bankruptcy and Insolvency Act (the "**Act**"), and NRG understands and agrees that any Definitive Agreement or Transaction may be subject to prior court approval.
8. **TSX-V Approval.** GPML acknowledges that NRG shall require the acceptance or approval of the Transaction, and/or a related financing, by the TSX Venture Exchange, and the Parties intend that such acceptance or approval shall be a condition to the closing of any Transaction; provided that the Parties further intend that NRG shall use its reasonable commercial efforts to timely obtain such acceptance or approval.
9. **Board of Directors Approval.** Any entry into a Definitive Agreement shall proceed only upon the prior approval of the board of directors of each of the Parties.
10. **Termination of this Letter of Intent.** GMPL may terminate this Letter of Intent by written notice to NRG (i) at any time following the date which is 21 calendar days after the date hereof if NRG has failed to demonstrate to the satisfaction of GMPL, in GMPL's discretion, that NRG has sufficient financing or financing commitments to complete a Transaction and fund GPC, so as to meet the Obligations, or (ii) at any time if any court approval reasonably required under the Act in order to continue to pursue a transaction is not granted. Either Party may terminate this Letter of Intent at any time, upon written notice to the other, following a breach of this Letter of Intent by the other Party.
11. **Termination of a Definitive Agreement.** The Parties intend that any Definitive Agreement shall contain customary termination provisions, to be mutually agreed between the Parties, including without limitation provisions providing for termination in the event of: (a) a material breach of the Definitive Agreement (subject to notice and a cure period); or (b) a failure to close the Transaction on or before

the date that is one month after the date of the Definitive Agreement, or such later date as may be agreed by the Parties.

- 12. Other Terms and Conditions of a Transaction.** The Parties intend that any Definitive Agreement shall be governed by the laws of British Columbia, shall be drafted by the Purchaser's legal counsel, and shall incorporate the terms of this Letter of Intent together with other provisions customary for transactions of a similar nature, provided that the Parties intend that, under a Definitive Agreement, the absence of a material adverse change to the business or financial condition of GPC shall not be a condition to closing.
- 13. Good Faith Negotiations.** The Parties agree to pursue the negotiation of a Definitive Agreement in good faith during the Exclusivity Period, or for such longer period as the Parties may mutually agree in writing subsequent to the date hereof. Neither Party shall be obliged to continue negotiations or discussions about a Transaction after the end of the Exclusivity Period (or such longer period as the Parties may mutually agree in writing). For greater certainty, in the event a Definitive Agreement is not entered into by the end of the Exclusivity Period (or such longer period as the Parties may mutually agree in writing), GPML may freely discuss the sale of, or sell, the Shares to a third party, or discuss or enter into any other transaction or arrangement respecting the Shares, GPC or the Mine, notwithstanding that discussions with NRG may also continue after the expiry of such period.
- 14. Due Diligence.** During the Exclusivity Period, GPML shall reasonably facilitate the conduct of due diligence by NRG.
- 15. Representations and Warranties.** Each of the Parties represents and warrants to the other that it has full power, authority and capacity to enter into this Letter of Intent and to carry out its obligations under the binding provisions hereof (as set forth in, and subject to the qualifications stated in Section 17 below), and that neither this Letter of Intent nor compliance with such provisions shall violate or result in a breach of or default under its constating documents or any agreement to which it is a party.
- 16. Confidentiality; Announcements.**
- a) This Letter of Intent is Confidential Information within the meaning of the Confidentiality Agreement (the "**Confidentiality Agreement**") entered into between the Parties on February 2, 2022, which continues in full force and effect.
 - b) The Parties agree moreover that any public announcement concerning this Letter of Intent or a Transaction must be, in form and substance, acceptable to both Parties, acting reasonably.
 - c) Notwithstanding the Confidentiality Agreement, GPML may disclose this Agreement and its contents to any monitor, trustee, proposed trustee or court involved in proceedings pursuant to the Act.
- 17. Binding Provisions.** This Letter of Intent is an expression of the Parties' mutual intent; however it shall not give rise to binding or legally enforceable rights or obligations, except that: Section 1 (Exclusivity), Section 10 (Termination of this Letter of Intent), Section 13 (Good Faith Negotiations), Section 15 (Representations and Warranties), Section 16 (Confidentiality), this Section 17 (Binding Provisions) and Section 18 (Miscellaneous) shall constitute a legal, binding and enforceable contract between the Parties; provided that the obligations of GPML that are herein stated to be binding are subject to the requirements of, and GPML's obligations under, the Act.
- 18. Miscellaneous.**

-
- a) **Expenses.** NRG and GPML shall each pay their own respective expenses incurred in connection with this Letter of Intent, any Definitive Agreement, or any Transaction, whether or not a Transaction is consummated, including the fees and expenses of financial, legal and other advisors.
- b) **Entire Agreement.** The Confidentiality Agreement and this Letter of Intent together constitute the entire agreement between the Parties with respect to the subject matter of this Letter of Intent, superseding any other prior understandings or agreements between the Parties with respect thereto. There are no representations, warranties, terms, conditions, undertakings, or collateral agreements, express, implied, or statutory, between the Parties in relation to the subject matter hereof other than as expressly set forth in this Letter of Intent or the Confidentiality Agreement.
- c) **Assignment.** No Party may assign its interest in this Letter of Intent without the prior written consent of the other Party. This Letter of Intent shall enure to the benefit of and be binding upon the Parties hereto and their respective successors and permitted assigns.
- d) **Amendments and Waiver.** No modification of or amendment to this Letter of Intent is valid or binding unless set forth in writing and fully executed by the Parties hereto and no waiver of any breach of any legally binding term or provision of this Letter of Intent is effective or binding unless made in writing and signed by the Party purporting to give such waiver and, unless otherwise provided, is limited to the specific breach waived.
- e) **Notices.** Any demand, notice or other similar communication to be given to a Party in connection with this Letter of Intent must be given in writing and shall be deemed to be validly given if given by personal delivery to an authorized agent of a Party, or delivered by registered mail, by courier or by electronic transmission (with delivery confirmation or an email reply effectively acknowledging delivery), addressed to a Party as follows:

i. if to GPML:

Great Panther Mining Limited
1330-200 Granville Street
Vancouver, British Columbia
V6C 1S4

Attention: Alan Hair
Telephone: +1-604-418-7788
Email: ahair@greatpanther.com

ii. if to NRG:

Newrange Gold Corp.
250-750 West Pender Street
Vancouver, British Columbia
V6C 2T7

Attention: Bob Archer
Telephone +1-604-817-5452
Email: rarcher@newrangegold.com

or to such other address or addresses as may be designated by notice given by either Party to the other.

- f) **Governing Law and Dispute Resolution.** This Letter of Intent is governed by and must be construed in accordance with the laws of British Columbia and the laws of Canada applicable therein.
- g) **Severance.** If any binding term or condition of this Letter of Intent is for any reason held to be illegal, invalid, ineffective, inoperable or otherwise unenforceable, it shall be severed and deemed to be deleted from this Letter of Intent, and the validity and enforceability of the remaining binding portions of this Letter of Intent shall not be affected or impaired thereby.
- h) **Counterparts** This Letter of Intent may be executed in any number of counterparts. All counterparts, taken together, shall constitute one instrument. A Party may execute this Letter of Intent by signing any counterpart.
- i) **Electronic Execution.** Delivery of an executed signature page to this Letter of Intent by either Party by electronic transmission shall be as effective as delivery of a manually executed copy of this Letter of Intent by such Party.

IN WITNESS WHEREOF this Letter of Intent has been executed as of the day and year first above written by and on behalf of the Parties by their duly authorized signatories:

GREAT PANTHER MINING LIMITED

DocuSigned by:
Per: Alan Hair
476B5D4E33F749D
Name: Alan Hair
Title: Interim CEO and Chair of the Board

NEWRANGE GOLD CORP.

DocuSigned by:
Per: Robert Archer
1366F468443C482
Name: Robert Archer
Title: President and Chief Executive Officer

This is **Exhibit "K"** referred to in the Affidavit of **Sandra Daycock**, affirmed before me at Vancouver, British Columbia, this 28th day of September, 2022.

A handwritten signature in blue ink, consisting of several fluid, connected strokes, positioned above a horizontal line.

A Commissioner for Oaths for
the Province of British Columbia

WHITE & CASE LLP
1221 Avenue of the Americas
New York, New York 10020-1095
(212) 819-8200
Philip M. Abelson
Samuel P. Hershey
Ricardo Pasianotto (*admitted pro hac vice pending*)
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200 South Biscayne Blvd., Suite 4900
Miami, Florida 33131
(305) 371-2700
Richard S. Kebrdle (*admitted pro hac vice*)
Kristin E. Schultz (*admitted pro hac vice*)

*Attorneys for Sandra Daycock,
as Petitioner and Foreign Representative*

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re

Mina Tucano Ltda.,¹

Debtor in a Foreign Proceeding.

)
)
) **Case No. 22-11198 (LGB)**
)
)
) **Chapter 15**
)

NOTICE OF FILING OF A CERTIFIED TRANSLATION OF THE RJ PETITION

PLEASE TAKE NOTICE that on September 7, 2022, Sandra Daycock (the “**Petitioner**” or “**Foreign Representative**”), the duly-appointed foreign representative of Mina Tucano Ltda. (“**Tucano**” or the “**Chapter 15 Debtor**”) in the jointly-administered judicial reorganization (*recuperação judicial* or “**RJ**”) proceeding (the “**Brazilian RJ Proceeding**”) of Tucano and its

¹ The Debtor in this chapter 15 case and the last four digits of the tax number in the jurisdiction in which it pays taxes is Mina Tucano Ltda (01-04).

parents (collectively, the “**RJ Debtors**”), commenced on September 6, 2022 pursuant to Federal Law No. 11.101 of February 9, 2005, as modified (the “**Brazilian Bankruptcy Law**”), of the laws of the Federative Republic of Brazil (“**Brazil**”), pending before the 1st Business Court of Rio de Janeiro (the “**Brazilian RJ Court**”),² by and through her undersigned counsel, filed a *Verified Petition for Recognition of the Brazilian RJ Proceeding and Motion for Entry of an Order Granting Related Relief Pursuant to 11 U.S.C. §§ 105(a), 1507, 1509, 1515, 1517, 1520, and 1521* [ECF No. 2] (the “**Verified Petition**”), which exhibited a copy of the RJ Petition filed with the Brazilian RJ Court.³

PLEASE TAKE NOTICE that the Foreign Representative hereby files a certified translation of the RJ Petition as **Exhibit A** hereto.

² The case number for the proceeding in front of the Brazilian RJ Court is 0245214-56.2022.8.19.0001.

³ See **Exhibit C** to the Verified Petition.

Dated: September 15, 2022
New York, New York

Respectfully submitted,

WHITE & CASE LLP

By: /s/ Philip M. Abelson
Philip M. Abelson

WHITE & CASE LLP
1221 Avenue of the Americas
New York, New York 10020-1095
(212) 819-8200
Philip M. Abelson
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Ricardo M. Pasianotto (*admitted pro hac vice*)
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(305) 371-2700
Richard S. Kebrdle (*admitted pro hac vice*)
Kristin E. Schultz (*admitted pro hac vice*)

*Attorneys for Sandra Daycock,
as Petitioner and Foreign Representative*

Exhibit A

Certified Translation of RJ Petition

I, Cristina Gonzales, certified public translator, duly admitted and sworn by the Commercial Registry of the State of São Paulo, Brazil, hereby certify that a **PDF** document written in PORTUGUESE was submitted to me, the translation of which is as follows:

[Logo of PJERJ]

JUDICIARY BRANCH
 STATE OF RIO DE JANEIRO

Proceeding Number

0245214-56.2022.8.19.0001

Assignment of the Capital City

Date of Assignment: September 6, 2022

Time of Assignment: 9:12 PM

Office of the Court's Clerk: 201617 - 1st Business Court

Jurisdiction: Empresarial (Business)

Class: Judicial Reorganization

Amount in Dispute: 1,176,385,136.43

GRERJ: 4253730202295 (BRL 70,763.19)

Subject: Judicial Reorganization

Counsel / Representative

RJ113760 - JULIANA HOPPER BUMACHAR SCHMIDT

Party(ies)

Plaintiff: MINA TUCANO LTDA, National Register of Legal Entities (CNPJ): 05.642.709/0002-95, Private Company, Email: irocha@ffalegal.com.br
 Business address: RUA Voluntários da Pátria, 89, SALA 603, Rio de Janeiro, Bairro: Botafogo, CEP: 22.270-000

Plaintiff: BEADELL (BRAZIL 2) PTY LTD., Foreign Company

Plaintiff: BEADELL (BRAZIL) PTY LTD., Foreign Company

Document(s)

Motion: Peticao Inicial - RJ Mina Tucano - Assinado.pdf

Power of Attorney: Doc. 01 - Procuração.pdf
Description: Power-of-Attorney

Exhibits: Doc. 02 - Contratos Sociais.pdf
Description: Doc. 02 - Contratos Sociais.pdf

Exhibits: Doc. 03 - Situação Cadastral.pdf
Description: Doc. 03 - Situação Cadastral.pdf

Exhibits: Doc. 04 - Certidões dos Offícios Interdição e Distribuição.pdf
Description: Doc. 04 - Certidões dos Offícios Interdição e Distribuição.pdf

Este documento foi assinado digitalmente por Cristina Gonzales.
 Para verificar as assinaturas vá ao site <https://www.portaldeassinaturas.com.br:443> e utilize o código B4A2-BA9A-533F-4B9E.

Exhibits:	Doc. 05 - Certidões Administradores.pdf
Description:	Doc. 05 - Certidões Administradores.pdf
Exhibits:	Doc. 06 - Demonstrações Contábeis 2019 2020 2021 e 2022.pdf
Description:	Doc. 06 - Demonstrações Contábeis 2019 2020 2021 e 2022.pdf
Exhibits:	Doc. 07 - Fluxo de Caixa e Projeções.pdf
Description:	Doc. 07 - Fluxo de Caixa e Projeções.pdf
Exhibits:	Doc. 08 - Relação de Credores por Requerente.pdf
Description:	Doc. 08 - Relação de Credores por Requerente.pdf
Exhibits:	Doc. 09 - Relação de Colaboradores por Requerente.pdf
Description:	Doc. 09 - Relação de Colaboradores por Requerente.pdf
Exhibits:	Doc. 10 - Relação de Ativos Administradores.pdf
Description:	Doc. 10 - Relação de Ativos Administradores.pdf
Exhibits:	Doc. 11 - Extratos Bancários.pdf
Description:	Doc. 11 - Extratos Bancários.pdf
Exhibits:	Doc. 12 - Certidões dos Cartórios de Protesto.pdf
Description:	Doc. 12 - Certidões dos Cartórios de Protesto.pdf
Exhibits:	Doc. 13 - Relação de Ações.pdf
Description:	Doc. 13 - Relação de Ações.pdf
Exhibits:	Doc. 14 - Relatório Fiscal.pdf
Description:	Doc. 14 - Relatório Fiscal.pdf
Exhibits:	Doc. 15 - Relação de Ativos Requerentes.pdf
Description:	Doc. 15 - Relação de Ativos Requerentes.pdf
Exhibits:	Doc. 16 - Certidões 9º Distribuidor e Justiça Federal.pdf
Description:	Doc. 16 - Certidões 9º Distribuidor e Justiça Federal.pdf
Exhibits:	Doc. 17 - Certidões da Justiça Trabalho.pdf
Description:	Doc. 17 - Certidões da Justiça Trabalho.pdf
Exhibits:	Doc. 18 - Fotos da Sede e Operação.pdf
Description:	Doc. 18 - Fotos da Sede e Operação.pdf
Exhibits:	Doc. 19 - Atos Societários -Pedido de Recuperação Judicial.pdf
Description:	Doc. 19 - Atos Societários -Pedido de Recuperação Judicial.pdf
Exhibits:	Doc. 20 - Guia de Custas.pdf
Description:	Doc. 20 - Guia de Custas.pdf

Truthfulness Statement

Este documento foi assinado digitalmente por Cristina Gonzales.
 Para verificar as assinaturas vá ao site <https://www.portaldasassinaturas.com.br:443> e utilize o código B4A2-BA9A-533F-4B9E.

22-11198-lgb Doc 20-1 Filed 09/15/22 Entered 09/15/22 13:51:25 Exhibit A -
 Tradutora Pública e Intérprete Comercial
 Inglês - Português
 Certified Translation of RJ Petition Pg 4 of 91
 Matrícula na JUCESP nº 787
 CCM nº 9.743.188-5 (São Paulo, SP) CFF/MF nº 108.911.608-09
 RG nº 14.873.251 SSP/SP

Tradução nº 14559

Livro nº 223

Folha nº 201

I declare, under the penalties of the law, that the information provided above corresponds to the truth, and such information has been provided based on procedural loyalty and good faith, pursuant to Art. 5 of the Civil Procedure Code (CPC)/2015, and that I am aware that any provision of untrue information may cause the application of the penalties established by law.

I declare that the documents included in the table are in the correct order.

IN WITNESS WHEREOF, I hereunto set my hand and seal.

São Paulo, September 14, 2022

CRISTINA GONZALES

Rec. Nº.: 7231

Talão Nº.: 56

Emol.: R\$ 378,08

Nº de caracteres: 3438 (sem espaço)

Este documento foi assinado digitalmente por Cristina Gonzales.
 Para verificar as assinaturas vá ao site <https://www.portaldeassinaturas.com.br:443> e utilize o código B4A2-BA9A-533F-4B9E.



PODER JUDICIÁRIO
ESTADO DO RIO DE JANEIRO

Número do Processo

0245214-56.2022.8.19.0001

Distribuição da Capital

Data da Distribuição: 06/09/2022

Horário da Distribuição: 21:12

Serventia: 201617-1ª Vara Empresarial

Competência: Empresarial

Classe: Recuperação Judicial

Valor Causa: 1.176.385.136,43

GRERJ: 4253730202295 (R\$70.763,19)

Assunto: Recuperação Judicial

Advogado(s) / Representante

RJ113760 - JULIANA HOPPNER BUMACHAR SCHMIDT

Parte(s)

Autor: MINA TUCANO LTDA, CNPJ: 05.642.709/0002-95, Empresa Privada, E-mail: irocha@ffalegal.com.br

Endereço: comercial: RUA Voluntários da Pátria, 89, SALA 603, Rio de Janeiro, Bairro: Botafogo, CEP: 22.270-000

Autor: BEADELL (BRAZIL 2) PTY LTD., Empresa Estrangeira

Autor: BEADELL (BRAZIL) PTY LTD., Empresa Estrangeira

Documento(s)

Petição:	Peticao Inicial - RJ Mina Tucano - Assinado.pdf
Procuração:	Doc. 01 – Procuração.pdf
Descrição:	Procuração
Anexos:	Doc. 02 – Contratos Sociais.pdf
Descrição:	Doc. 02 – Contratos Sociais.pdf
Anexos:	Doc. 03 – Situação Cadastral.pdf
Descrição:	Doc. 03 – Situação Cadastral.pdf
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Descrição:	Doc. 07 – Fluxo de Caixa e Projeções.pdf

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Anexos:	Doc. 08 – Relação de Credores por Requerente.pdf
Descrição:	Doc. 08 – Relação de Credores por Requerente.pdf
Anexos:	Doc. 09 – Relação de Colaboradores por Requerente.pdf
Descrição:	Doc. 09 – Relação de Colaboradores por Requerente.pdf
Anexos:	Doc. 10 – Relação de Ativos Administradores.pdf
Descrição:	Doc. 10 – Relação de Ativos Administradores.pdf
Anexos:	Doc. 11 – Extratos Bancários.pdf
Descrição:	Doc. 11 – Extratos Bancários.pdf
Anexos:	Doc. 12 – Certidões dos Cartórios de Protesto.pdf
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Anexos:	Doc. 13 – Relação de Ações.pdf
Descrição:	Doc. 13 – Relação de Ações.pdf
Anexos:	Doc. 14 – Relatório Fiscal.pdf
Descrição:	Doc. 14 – Relatório Fiscal.pdf
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Descrição:	Doc. 15 – Relação de Ativos Requerentes.pdf
Anexos:	Doc. 16 – Certidões 9º Distribuidor e Justiça Federal.pdf
Descrição:	Doc. 16 – Certidões 9º Distribuidor e Justiça Federal.pdf
Anexos:	Doc. 17 – Certidões da Justiça do Trabalho.pdf
Descrição:	Doc. 17 – Certidões da Justiça do Trabalho.pdf
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Descrição:	Doc. 19 – Atos Societários -Pedido de Recuperação Judicial.pdf
Anexos:	Doc. 20 – Guia de Custas.pdf
Descrição:	Doc. 20 – Guia de Custas.pdf

Declaração de Veracidade

Declaro sob as penas da lei, que as informações acima prestadas correspondem à verdade, tendo sido prestadas à lealdade processual e à boa fé, nos termos do Art. 5º do CPC/2015, ciente de que a eventual prestação de informações inverídicas poderá acarretar a incidência das penalidades previstas em lei.

Declaro que os documentos inseridos na tabela se encontram na ordem correta.

**PROTOCOLO DE ASSINATURA(S)**

O documento acima foi proposto para assinatura digital na plataforma IziSign. Para verificar as assinaturas clique no link: <https://www.portaldeassinaturas.com.br/Verificar/B4A2-BA9A-533F-4B9E> ou vá até o site <https://www.portaldeassinaturas.com.br:443> e utilize o código abaixo para verificar se este documento é válido.

Código para verificação: B4A2-BA9A-533F-4B9E

**Hash do Documento**

8EB6157466AE227B08106CC16A726B224A0912A231E10EB5DA59EAF59761137A

O(s) nome(s) indicado(s) para assinatura, bem como seu(s) status em 14/09/2022 é(são) :

☒ Cristina Gonzales - 108.911.608-09 em 14/09/2022 16:50 UTC-03:00

Tipo: Certificado Digital



I, Cristina Gonzales, certified public translator, duly admitted and sworn by the Commercial Registry of the State of São Paulo, Brazil, hereby certify that a **PDF** document written in PORTUGUESE was submitted to me, the translation of which is as follows:

[Letterhead paper of Bumachar Advogados Associados]

HONORABLE STATE JUDGE OF THE [blank] LOWER BUSINESS COURT OF THE JUDICIAL DISTRICT OF THE CAPITAL CITY OF THE STATE OF RIO DE JANEIRO

Judicial Reorganization
 (art. 47 of Law No. 11,101/2005)

Electronic GRERJ No. 42537302022-95

MINA TUCANO LTDA., a limited liability business company, enrolled in the National Register of Legal Entities (CNPJ) under No. 05.642.709/0002-95 and registered in the Commercial Register of the State of Rio de Janeiro - JUCERJA under NIRE 33.9.0073902-6, with address at Rua Voluntários da Pátria, nº 89, sala 603, Botafogo, in the Municipality and State of Rio de Janeiro, CEP 22.270-000 ("**Mina Tucano**"); **BEADELL (BRAZIL) PTY LTD.**, a legal entity enrolled in the CNPJ under No. 11.741.599/0001-30, with its principal place of business at Brookfield Place Tower 2, Level 16, 123 St. Georges Terrace, West Perth, WA 6000, Australia ("**Beadell 1**"); and **BEADELL (BRAZIL 2) PTY LTD.**, a legal entity enrolled in the CNPJ under No. 11.741.601/0001-71, with its principal place of business at Brookfield Place Tower 2, Level 16, 123 St. Georges Terrace, West Perth, WA 6000, Australia ("**Beadell 2**") or, when together with the others, "**Petitioners**" or "**Tucano Group**"), through its counsel signed below, which was regularly appointed (Doc. 1), based on articles 47 and 48 of Law No. 11,101/05 (**LRF**), file this request for

JUDICIAL REORGANIZATION

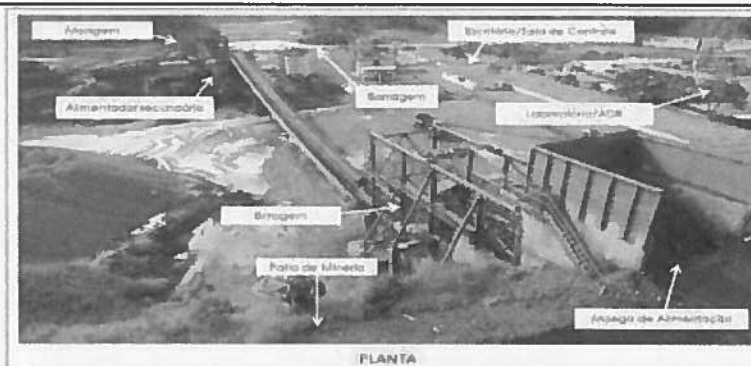
due to the relevant factual and legal reasons stated below.

I. BACKGROUND OF PETITIONERS

1. Mina Tucano is the holder of a mining concession of one of the largest open gold mines in Brazil, which has several gold deposits, and its main activity is sustainable gold extraction and processing, which consists in the treatment of the rocks extracted in the mining for transformation into raw material with higher aggregate economic value ("**Mine**").

2. The Mine is established in a land lot that covers about 200,000 hectares in Vila Nova Greenstone and has a carbon in leach plant with capacity to process up to 10,000 tons of gold doré, and it is responsible for the production of 125,417 ounces of gold¹.

¹ 2021 Data.



Legend

Moagem
 Escritório/Sala de Controle
 Alimentador secundário
 Barragem
 Laboratório/ADR
 Britagem
 Pátio de minério
 Moega de Alimentação
 PLANTA

Grinding
 Office/Control Room
 Secondary feeder
 Dam
 Laboratory/ADR
 Crushing
 Ore yard
 Feed Hopper
 PLANT

3. However, before reaching that stage of one of the largest mining companies in Brazil, it is necessary to contextualize Mina Tucano.
4. Mineração Pedra Branca do Amapari Ltda. (Mineração Pedra Branca) was organized in April 2003 in the City and State of Rio de Janeiro (Doc. 2).
5. Taking advantage of a favorable moment at the Brazilian mining sector and of several investments in the gold extracting activity, Mineração Pedra Branca started its extracting activities in the Mine.
6. Mineração Pedra Branca launched the implementation of its project in June 2004, concluding the construction of the facilities necessary to operate the Mine at the end of 2005, when it completed the commissioning tests of the ore processing plant.
7. Thus, in 2005, Mineração Pedra Branca, organized in the capital city of Rio de Janeiro, started its production and commercialization of gold through the Mine, which has its plant located in Amapá.
8. However, due to lack of technology, it was not possible to extract the maximum from the mine. Thus, in 2010, Mina Tucano was acquired by Beadell Resources Limited ("Beadell Resources"), which organized the Australian companies, now Petitioners, Beadell 1 and Beadell 2, which, together, own 100% of the Mina Tucano's quotas.
9. To make the operation more modern, a new processing plant was built, including crushing, grinding and Carbon in Leach - CIL, presenting a new gold processing plant in the Mine.
10. The conclusion of the gold processing plant allowed for the global processing time to be reduced and contributed for the Mine to have one of the lowest operating costs in the world.



Legend

PLANTA CIL

LIXIVIAÇÃO - PROCESSO CIL

CIL PLANT

LEACHING - CIL PROCESS

11. However, despite the high investment in technology made so far, Beadell Resources had difficulties to implement the gold production sector, therefore it was necessary to contribute with new resources to the company's activities.

12. Thus, on September 24, 2018, the company Great Pather Mining Limited ("GPM") executed an agreement with Beadell Resources, which at the time was the only shareholder of Beadell 1 and Beadell 2, which, in turn, are the only members of Mina Tucano (Doc. 2).

13. Through this agreement, GPM acquired all issued and outstanding common shares of Beadell Resources and, on March 5, 2019, Beadell Resources became a full subsidiary of GPM.

14. Thus, GPM started to control Beadell Resources, which, in turn, controlled Petitioners Beadell 1 and Beadell 2, which, together, own 100% of the Mina Tucano's quotas.

15. Petitioners Beadell 1 and Beadell 2 do not have an operation and are only a vehicle to hold Mina Tucano's quotas and raise funds for Mina Tucano.

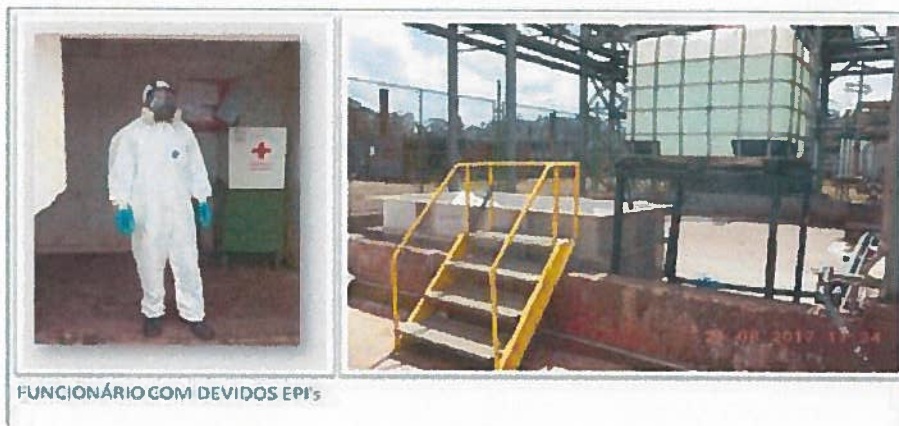
16. In that sense, on February 26, 2021, Beadell 1 contributed capital to Mina Tucano, with the express consent of Beadell 2, which contributions were fully paid up to the corporate capital in the same year (Doc. 11 - which will be attached under secrecy).

17. In the development of its activities, the Tucano Group acquired equipment, expanded the Mine's plant, hired new employees and employed new technologies, which allowed it to process more sulfide ore and increase the recovery (productivity) in eight percent (8%).

18. Given the expansion of the activities, there was a relevant increase in the jobs related to the Tucano Group, which reached 1,500 direct and indirect employees, in addition to the wealth circulation, increase in the local trade, among other improvements.

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19. Mina Tucano became a reference in the policies on sustainability, health, safety, environmental liability and development of local communities.



FUNÇÃOÁRIO COM DEVIDOS EPI's

Legend

FUNÇÃOÁRIO COM DEVIDOS EPI's

EMPLOYEE WITH THE PROPER PPEs

20. Taking into account this sustainable growth, Mina Tucano ranked 19th among the 100 largest mining companies and 5th among the largest gold producers in Brazil².

Legend

OS PERFIS DAS 100 MAIORES

Produção em 2020

Bauxite: 7.420 milhões t (Brasil)

Minas em atividade

PROFILE OF THE TOP 100

Production in 2020

Bauxite: 7.420 million t (Brazil)

Mines in operation

² Source: <https://www.brasilmineral.com.br/revista/411/>. To measure the ranking, the magazine uses the data from the CFEM contributions, an important rate on mining converted into socioeconomic impact initiatives in the mining states - accessed on August 30, 2022.

Juriti: desde 2009 a Alcoa opera a Mina de Bauxita de Juruti, localizada no Platô Capiranga (Juriti - PA), onde produz minério de alumínio/bauxita. A capacidade instalada é de 7Mtpa (base seca). A planta de beneficiamento, instalada na mesma região, possui capacidade de produção de 780 t/h de concentrado (bauxita). O processo é composto pelas etapas de britagem e lavagem, bacias de rejeitos associadas e pátios de estocagem de bauxita. Produto: bauxita.

Em Poços de Caldas a companhia possui 12 minas de bauxita, em operação desde 2003.

Contingente de Empregados

Brasil: 12.900 (Global)

19 Mina Tucano

RAZÃO SOCIAL

Mina Tucano Ltda.

Controle Acionário

Produção em 2020

Minério Bruto/Run of Min: 1.858,037 toneladas de minério.

Minério beneficiado: 3.359,041 t.

Ouro: 125,4 mil onças

Fatos relevantes em 2020

Mina Tucano - Operador de Equipamentos

Infraestrutura elétrica; Recuperação de Áreas Degradadas, Elevação da barragem de rejeitos, Serviço de recuperação e Pintura estruturas metálicas, Implantação de equipe Geotécnica; Implantação de sistema de monitoramento remoto por radar em áreas de lavra; Redução do consumo de reagentes químicos; Infraestrutura elétrica em park de geração de energia; Recuperação de Áreas Degradadas; Implantação do sistema de internet por Fibra óptica; Finalização da construção da barragem Leste; Instalação de planta de britagem de Scats; Emissão da Licença de Operação da Barragem Leste; LOP pesquisa mineral para área processo ANM 858.076/2009 - Serra da Canga; Revitalização e ampliação dos viveiros de mudas; Homologação de empresa para destinação de todos os resíduos perigosos e resíduos serviços saúde; Construção de uma trincheira para destinação de resíduos classe II; Recebimento do Selo Sustentabilidade Tesouro Verde.

Minas em atividade

Mina Tucano; em Pedra Branca do Amapari (AP), para produção de ouro. A capacidade instalada é de 3.500.000 t/ano. Início de operação: janeiro/2005. Método de lavra Convencional CIL.

Investimentos Realizados em 2020

Pesquisa geológica US\$ 4.004.930

Pesquisa tecnológica: US\$ 125.391

Equipamentos: US\$ 469.372

Infraestrutura: US\$ 1.328.553

Meio ambiente US\$ 171.342

Outros: US\$ 4.427.813

Investimentos Programados para 2021

Pesquisa geológica: US\$ 7.152.956

Pesquisa tecnológica: US\$ 557.053

Equipamentos: US\$ 1.481.474

Juriti: since 2009, Alcoa operates the Juriti Bauxite Mine, located at the Capiranga Plateau (Juriti - PA), where it produces aluminum ore/bauxite. The installed capacity is 7Mtpa (dry basis). The processing plant, installed in the same region, has a production capacity of 780 t/h of concentrate (bauxite). The process is composed by the crushing and washing stages, associated tailings basins and bauxite storage yard. Product: bauxite.

In Poços de Caldas, the company has 12 bauxite mines, in operation since 2003.

Number of Employees

Brazil: 12,900 (Global)

19 Mina Tucano

CORPORATE NAME

Mina Tucano Ltda.

Shareholding Control

Production in 2020

Raw Ore/Run of Min: 1,858.037 tons of ore.

Processed ore: 3,359.041 t.

Gold: 125.4 thousand ounces

Relevant facts in 2020

Mina Tucano - Equipment Operator

Electric infrastructure; Recovery of Degraded Areas, Raising of the tailings dam, Recovery and Painting services of metal structures, Implementation of Geotechnical team; Implementation of remote monitoring system by radar in mining areas; Reduction in consumption of chemical reagents; Electric infrastructure in power generation park; Recovery of Degraded Area; Implementation of the optical fiber internet system; Conclusion of the East dam construction; Installation of Scats crushing plant; Issue of the East Dam's Operation License; LOP mineral survey for area ANM proceedings 858.076/2009 - Serra da Canga; Revitalization and expansion of the seedling nurseries; Ratification of company for the disposal of all hazardous waste and health services waste; Construction of a trench for the disposal of class II waste; Receiving of the Green Treasury Sustainability Seal.

Mines in operation

Mina Tucano; in Pedra Branca do Amapari (AP), for gold production. The installed capacity is 3,500,000 t/year. Start of operation: January/2005. Mining method: Conventional CIL.

Investments Made in 2020

Geological survey USD 4,004,930

Technological survey: USD 125,391

Equipment: USD 469,372

Infrastructure: USD 1,328,553

Environment USD 171,342

Others: USD 4,427,813

Investments Scheduled for 2021

Geological survey: USD 7,152,956

Technological survey: USD 557.053

Equipment: USD 1,481.474

Infraestrutura: US\$ 1.431.842
 Meio ambiente: US\$ 189.474
 Outros: US\$ 5.045.053
 Contingente de empregados
 Total: 476 funcionários - Dos quais 1 é jovem aprendiz (base: Dez/2020)
 20 Ferrous
 RAZÃO SOCIAL
 Ferrous Resources do Brasil S.A.
 (Ver perfil Vale)
 21 Mineração Serra Grande
 RAZÃO SOCIAL
 Mineração Serra Grande S.A.
 (Ver perfil AngloGold Ashanti)
 22 Extrativa Mineral
 RAZÃO SOCIAL
 Extrativa Mineral Ltda.
 Controle acionário
 Cedro Mineração
 Fatos relevantes em 2020
 Em outubro de 2020 a Semad de Minas Gerais revogou as licenças de operação da Extrativa Mineral e de sua controladora, a Cedro Mineração, atendendo a um pedido do Ministério Público de Minas Gerais. A alegação foi de que as empresas descumpriram um Termo de Ajustamento de Conduta, ao realizar extração de minério em área não permitida. Em janeiro de 2021 a empresa e o MPMG assinaram um novo Termo de Ajustamento de Conduta que condiciona a volta da operação ao cumprimento de uma serie de medidas.

Produção em 2020
 Minério de ferro: 1.4 milhão t (estimada)
 Minas em Atividade
 A Extrativa Mineral opera uma mina de minério de Ferro em Morro do Gama. Nova Lima (MG), onde executa lavra a céu aberto e uma unidade de tratamento de minério via úmido. A instalação tem capacidade para produzir 150 mil t/mês.
 Número de empregados
 23 Votorantim Cimentos
 RAZÃO SOCIAL
 Votorantim Cimentos Brasil Ltda.
 Composição Acionária
 Votorantim Industrial S A (100%)
 Fatos Relevantes em 2019
 Em 2020, a receita líquida da Votorantim Cimentos atingiu R\$ 16.7 bilhões e o Ebitda

Infrastructure: USD 1,431,842
 Environment: USD 189,474
 Others: USD 5,045,053
 Number of Employees
 Total: 476 employees – One of which is a young apprentice (base: Dec/2020)
 20 Ferrous
 CORPORATE NAME
 Ferrous Resources do Brasil S.A.
 (see Vale profile)
 21 Mineração Serra Grande
 CORPORATE NAME
 Mineração Serra Grande S.A.
 (see AngloGold Ashanti profile)
 22 Extrativa Mineral
 CORPORATE NAME
 Extrativa Mineral Ltda.
 Shareholding control
 Cedro Mineração
 Relevant facts in 2020
 In October 2020, Minas Gerais' Semad revoked the operation licenses of Extrativa Mineral and its controlling company, Cedro Mineração, complying with a request from the Minas Gerais Public Prosecutor's Office. The allegation was that the companies failed to comply with a Conduct Adjustment Agreement by carrying out ore extraction in an area not allowed. In January 2021 the company and MPMG executed a new Conduct Adjustment Agreement which conditions the resumption of operation to the compliance with a series of measures.
 Production in 2020
 Iron ore: 1.4 million t (estimated)
 Mines in Activity
 Extrativa Mineral operates an Iron ore mine in Morro do Gama, Nova Lima (MG), where it executes open mining and a wet ore treatment unit. The facility has capacity to produce 150 thousand t/month.
 Number of employees
 23 Votorantim Cimentos
 CORPORATE NAME
 Votorantim Cimentos Brasil Ltda.
 Shareholding Structure
 Votorantim Industrial S A (100%)
 Relevant facts in 2019
 In 2020, the net revenue of Votorantim Cimentos reached BRL 16.7 billion and Ebitda

21. Mina Tucano also issued the Green Treasure Sustainability Seal [*Selo Sustentabilidade Tesouro Verde*], which proves the adoption of sustainable and responsible practices from the environmental, social and corporate governance point of view³.

³ <https://ibram.org.br/noticia/mineradora-adota-selo-sustentabilidade-tesouro-verde-nas-operacoes-financeiras/> - accessed on September 1, 2022.

22. However, despite its promising development, Petitioners are going through a momentary economic-financial crisis for reasons not attributable to the Tucano Group, and they have no option but to file for judicial reorganization.

II. JOINDER OF PLAINTIFFS - PROCEDURAL CONSOLIDATION - GROUP UNDER COMMON CORPORATE CONTROL (CPC, Art. 113 coupled with LRF, Art. 69-G)

23. According to the already consolidated understanding of the case law⁴, Law No. 14,112/2020 included the possibility of joinder of plaintiffs between the members of the same corporate group.

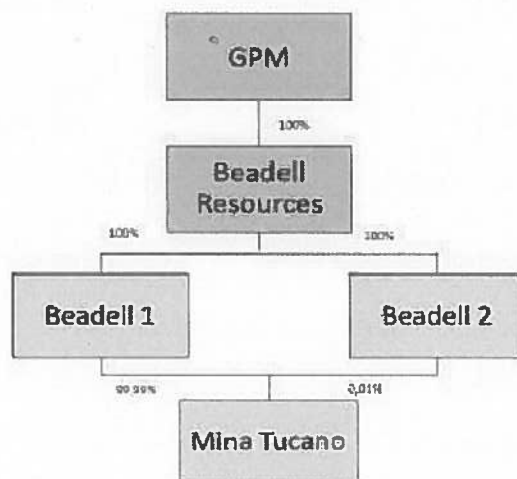
24. In that sense, art. 69-G of LRF provides for the possibility of joinder of plaintiffs for the companies that are part of a group under common control to file for Judicial Reorganization.

25. Thus, established with the name of procedural consolidation, two (2) or more companies may ask that their requests for Judicial Reorganization be jointly processed in a joinder of plaintiffs (CPC, art. 113).

26. The new Section IV-B of LRF established what the legal scholars explained: its prerequisites for existence (group of interconnected companies - factual or legal, under common corporate control, economic and financial interdependence, similar and/or supplementary activities).

27. As known, the appearance of the business groups is a common practice in the global market. Companies use assets, associates, technical training certificates, balance sheets (to obtain funds and loans) and reputation of sister companies (subsidiaries, associates e affiliates in general) to obtain advantages given the competition in the market.

28. In this case, Petitioners are an actual and legal corporate group that facilitates the activities developed in its corporate purpose and have the following corporate structure:



29. Petitioner Mina Tucano is the main company among the three petitioners of the Tucano Group (highlighted in gray in the table above), the one that concentrates almost all creditors, in addition to exploiting the main economic activity and having administrative headquarters located in Rio de Janeiro.

⁴ Special Appeal (REsp) 1665042/RS. Reporting Justice Ricardo Villas Bôas Cueva. Third Panel, judged on June 25, 2019, published in the Electronic Court Gazette (DJe) on July 1, 2019

30. Petitioners Beadell 1 and Beadell 2, in turn, are holding companies, they own the totality of Mina Tucano's quotas and assist in the development of its activities. Beadell 1 and Beadell 2 were created to allow the raising of funds abroad and to give corporate support to the activities of the Tucano Group.

31. With organized companies that operate combining efforts and resources for gold exploitation (Law No. 6,404/76, art. 265⁵), the actual and legal business group comprised by Petitioners includes independent legal entities, with their own legal personality and assets, but which are economically united through single control or management.

32. In the case of the Tucano Group, all legislative, legal doctrine and case law requirements are met in the sense that the presence of a business group under common corporate control is strongly verified⁶. See below:

33. Petitioners acts in a joint and supplementary manner, under the same command. They also share the entire administrative (legal, financial, managerial, technical, etc.) body.

34. Petitioners have an intrinsic economic connection, given the strong operating and financial relationship between them. After all, Beadell 1 and Beadell 2 are investment vehicles directed exclusively to hold Mina Tucano's quotas and capitalize the Tucano Group, through intercompany contributions and later conversion into shares in Mina Tucano (Doc. 11 - which will be attached under secrecy).

35. Petitioners have interconnected/shared debts arising from operations taken to foster the Tucano Group's activities. As an example, one may mention the contribution of resources made by Beadell 1 to Mina Tucano, which was later capitalized.

36. Thus, it is possible to verify the corporate, legal, economic and operating interconnection among Petitioners resulting especially from the interdependence and complementarity of the activities they execute.

37. In scenarios such as this, the formation of the joinder of plaintiffs is imperative, in order to ensure the maintenance of the business activity, as per the legal scholars⁷:

"The formation of the joinder of plaintiffs in the judicial reorganization... is possible, in case of companies that are part of the same (actual or legal) economic group. In this case, even if there are companies of the group with operations concentrated in different places, the increased concept of 'company' (which must

⁵ Article 265. The parent company and its subsidiaries may form, pursuant to this Chapter, a group of companies, by way of an agreement whereby they are obliged to combine resources or efforts for the performance of the respective purposes, or to participate in common activities or undertakings.

⁶ In that sense, see a recent decision rendered by the 5th Business Court of this Judicial District, in the records of Judicial Reorganization No. 0200853-85.2021.8.19.0001: "(...) Regarding the theory of joinder of plaintiffs, this is possible given the argument that the companies, though legally independent, with their own properties and personality, have an economic and operating interconnection, which is seen, at first, in the documents that support the complaint. Regarding the possibility of processing of Judicial Reorganization of two or more companies in joinder of plaintiffs, though the LRF has no provisions in that regard, the case law has already settled the issue.

There is no impediment to the formation of the joinder of plaintiffs in case of companies that are part of the same (actual or legal) economic group, and thus there is no violation of the system of Law No. 11,101/2005. In addition, the measure meets the basic principle of Preservation of the Company.

The consolidation of the reorganizations of a group of companies in one single proceeding does not mean disregarding the specificities and legal personalities of each of the companies, considered separately, nor that such procedure will include creditors subject to a unified judicial reorganization plan for all companies of the group. Actually, the formalization or not of a unified plan is an issue to be considered at the appropriate time, and not now, at this initial phase of the proceedings."

⁷ COSTA, Ricardo Brito. *Recuperação judicial: é possível o litisconsórcio ativo* - In: *Revista do Advogado - Recuperação Judicial: temas polêmicos*. Year XXIX. No. 105. São Paulo: AASP. September 2009

reflect the current stage of capitalism to include the 'economic group'), for the purposes of Law No. 11,101/2005, allows for the establishment of jurisdiction of the court where the main unit (establishment) of the group of companies is located. The joinder of plaintiffs, formed by the companies that are part of the economic group, does not violate the system of Law No. 11,101/2005 and meets the basic Principle of Preservation of the Company. "

38. Thus, Petitioners are part of an actual and legal business group (as usually occurs in the country) formed by companies legally independent, with their own property and personality, but with corporate, legal, economic and operating interconnection resulting from the interdependence and complementarity of activities.

39. Therefore, the requirements necessary to the characterization of the joinder of plaintiffs and, consequently, of the procedural consolidation being present, the Tucano Group requests that this motion for Judicial Reorganization be received and processed as per article 69-G of LRF.

III. JURISDICTION OF THE COURTS OF THE CAPITAL CITY - MAIN ESTABLISHMENT OF PETITIONERS (LRF, Art. 3.)

40. LRF established in its article 3 as criteria for definition of jurisdiction of the business crisis the courts of the place of the "main establishment of the debtor", an expression that leads to controversial points and case-by-case interpretations.

41. The legal scholars⁸ define main establishment as "*the one where the trader has the administrative headquarters of its business, where the general accounting is conducted, where the books required by the law are, a place where the orders that keep the company running and in order come from, even if the company's registration document indicates that the principal place of business is in another place*".

42. The place where the company is managed, where the main strategic, financial and operating decisions are made, therefore, is the most important criterion to define the main establishment of the debtor.

43. In this case, the main establishment of Petitioners is its administrative headquarters in the Capital City of Rio de Janeiro. And this goes back to the origins of Mina Tucano.

44. It was in Rio de Janeiro that the company started, in 2003, with the organization of the company with the purpose of investing in mining activity.

45. It is in Rio de Janeiro that the management and administrative activities are concentrated, where the administrative executive office (represented by the General Director, Mr. Júlio Cesar Cunha Carneiro, who also resides in Rio de Janeiro) is located.

46. It is also in its administrative headquarters that the financial department, the controllership and the treasury are located (Doc. 9). The Tucano Group's guidelines, therefore, are taken from its "business brain", that is, from Rio de Janeiro.

47. Moreover, Rio de Janeiro is the tax domicile of Mina Tucano, as per the Tax Status Report issued by the Special Secretary of the Brazilian Revenue Office (Doc 14).

⁸ VALVERDE, Trajano de Miranda. Comentários à Lei de Falências. 4th ed. Rio de Janeiro: Forense, 1999, vol. 3. IN BEZERRA FILHO, Manoel Justino. *Lei de recuperação de empresas e falência: Lei 11.101/2005: comentado artigo por artigo* / Manoel Justino Bezerra Filho; Eronides A. Rodrigues dos Santos, special co-authorship. - 15th ed. revised, updated and extended. - São Paulo: Thomson Reuters Brasil, 2021. p. 88.

48. But that is not all. Mina Tucano's articles of association were executed in Rio de Janeiro and established as choice of jurisdiction the City and State of Rio de Janeiro to settle any disputes related to the Articles of Association (Doc. 2).

49. Indeed, the case law⁹ defined that the concept of main establishment is directed by the place where the decisions of the company are taken, that is, its administrative headquarters:

"Judicial Reorganization - Jurisdiction for the processing - Main establishment - Place of the main strategic, financial and operating decisions of the company - Jurisdiction of the courts of the Judicial District of Mogi das Cruzes - Appeal granted" (Court of Appeals of the State of São Paulo (TJSP), Interlocutory Appeal 2249580-54.2018.8.26.0000; Reporting Judge Fortes Barbosa; 1st Chamber Dedicated to Business Law, DJe of January 30, 2019).

"Judicial Reorganization - Decision to grant the processing - Timeliness of the motion to clarify filed at the original court - Jurisdiction for processing - Main establishments of the companies under judicial reorganization - Place where the main decisions are made - (...)" (TJSP, Interlocutory Appeal 2101203-10.2019.8.26.0000; Reporting Judge Fortes Barbosa; 1st Chamber Dedicated to Business Law, DJe of 07/16/2019)

"INTERLOCUTORY APPEAL. JUDICIAL REORGANIZATION. (...) Need to determine where the main establishment of the economic group that requested the reorganization is located. Art. 3 of Law No. 11,101/05. Though the business production occurs in Itaí/SP, it is in Piracicaba/SP that the main strategic, financial and operating decisions of the company are made, since, in addition to the location of the administrative headquarters of the companies, the rural producers and administrators of the business companies part of the group are domiciled there. DECISION UPHeld. APPEAL DISMISSED." (TJSP, AI 2106335-48.2019.8.26.0000, Reporting Judge Azuma Nishi, 1st Chamber Dedicated to Business Law, DJe of 06/13/2019)

"REQUEST FOR JUDICIAL REORGANIZATION Jurisdiction to process the request for judicial reorganization. Jurisdiction of the courts of the place where the decision-making center of the company is located. Interpretation of art. 3 of Law No. 11,105/05. Precedents from the Superior Court of Justice (STJ) and from the TJSP. Main establishment corresponding to the place where the main

⁹ In this same regard:

"INTERLOCUTORY APPEAL - (...) INCIDENT FILED IN JUDICIAL REORGANIZATION - COURT WITH JURISDICTION - PLACE WHERE THE MAIN COMMERCIAL ESTABLISHMENT OF THE COMPANY UNDER JUDICIAL REORGANIZATION IS LOCATED - ADMINISTRATIVE BUSINESS HEADQUARTERS - ART. 3 OF LAW No. 11,101/2005 - DECISION UPHeld - APPEAL DENIED. (...) According to article 3 of Law No. 11,101/2005, the court with jurisdiction to process and decide the judicial reorganization action is that of the place where the company centralizes its operating and administrative management business, as well as where its partners reside, even if the articles of association or individual company declaration establish otherwise." (Court of Appeals of the State of Mato Grosso (TJMT), Interlocutory Appeal (AI) 34177/2014, Reporting Judge Cleuci Terezinha Chagas Pereira Da Silva, 5th Civil Chamber, Electronic Court Gazette (DJe) 07/18/2014)

"ENTRY OF JUDGMENT. NEGATIVE CONFLICT OF JURISDICTION - JUDICIAL REORGANIZATION - JURISDICTION TO PROCESS THE REQUEST - MAIN ESTABLISHMENT - ARTICLE 3 OF LAW No. 11,101/2005 - CONFLICT CONSIDERED WITH GROUNDS. For purposes of determining where the main establishment of the economic group that requested the judicial reorganization is located, pursuant to Art. 3 of Law 11,101/05, it is necessary to determine in which court the main strategic, financial and operating decisions of the group under Judicial Reorganization are made. Specific case where, though the exploitation of agricultural activities of the businessmen is connected to the Farms located in the Municipality of Novo São Joaquim, the operating center of the main activities of the group's business is connected to the administrative headquarters in the Municipality of Primavera do Leste, where the debtors' main creditors also operate. (TJMT, Conflict of Jurisdiction (CC) 10065918020208110000, Reporting Judge Guiomar Teodoro Borges, 2nd Panel of Assembled Civil Chambers of Private Law, DJe. 06/09/2020)

strategic, financial and operating decisions of the company are made (...) Irrelevance of the statutory headquarters being located in another city (...) **INTERLOCUTORY APPEAL DENIED.**" (TJSP, Interlocutory Appeal 0124191-69.2013.8.26.0000, Reporting Judge Alexandre Marcondes, 1st Chamber Dedicated to Business Law, DJe of 12/05/2013)

50. Thus, though the Tucano Group also has exploitation activities in Amapá, it is in the city of Rio de Janeiro that all management decisions of the companies are made, defining, for instance, which projects will be executed, who will be contracted or not and which negotiations will be concluded, therefore, this is its main establishment.

51. In a similar case (involving a mining company), the Court of Appeals of São Paulo declared that the courts of the administrative headquarters of the company had jurisdiction to process the judicial reorganization. See below:

"Interlocutory appeal. Bankruptcy. **Court with jurisdiction. Main establishment**, pursuant to article 3 of Law No. 11,101/05. The location of the headquarters seems to be indeed the **decision-making center of the company**. Maintenance of the case at the courts of the contractual headquarters. Decision reversed. Appeal granted." (TJSP, Interlocutory Appeal 2044499-16.2015.8.26.0000, Reporting Judge Claudio Godoy, 1st Chamber Dedicated to Business Law, DJe of March 29, 2015).

Highlighted excerpt: "*In this case, **the headquarters of the appellee are located in this Judicial District [São Paulo] since November 2013. Furthermore, everything indicates that not only the contractual headquarters are located in São Paulo, but also the administrative headquarters, i.e., the decision-making center of the company.** (...)*"

52. Given those factors, it is in this Judicial District that the certainly more important place of the debtors is located, where the main strategic, financial and operating decisions of Petitioners are made, which certainly makes it the **MAIN ESTABLISHMENT** of Petitioners mentioned in art. 3 of LRF.

53. This is, also, the precise position of this Court:

"This is a request for judicial reorganization based on articles 47 et seq. of Law No. 11,101/05 (...) This is the report. I EXAMINE AND DECIDE. **I hereby determine the jurisdiction of this business Court to process this request for Judicial Reorganization, since the main establishment - understood as the one where the main economic and administrative decisions of the company are made is located -- is located in the city of Rio de Janeiro (...)**". (Proceedings: 0023386-56.2020.8.19.0001, Plaintiff: HOPE RECURSOS HUMANOS EIRELI, Judge: Maria Cristina de Brito Lima, Decision: February 4, 2020, 6th Lower Business Court of the Court of Appeals of the State of Rio de Janeiro (TJRJ)) - emphasis added.

"INTERLOCUTORY APPEAL. (...) ON THE MERITS, COMPLIANCE WITH ART. 3 OF LAW No. 11,101/2005, WHICH PROVIDES FOR THE JURISDICTION FOR RATIFICATION AND GRANTING OF THE JUDICIAL REORGANIZATION. CONCEPT OF "MAIN ESTABLISHMENT OF DEBTOR" ECONOMIC CRITERION. PREVIOUSLY BUILT DOCUMENTARY EVIDENCE, WHICH MAKES IT CLEAR THAT THE ADMINISTRATIVE AXIS OF OSX GROUP'S BUSINESS IS IN THE CITY CENTER OF RIO DE JANEIRO. JURISDICTION OF THE COURT OF THE JUDICIAL DISTRICT OF SÃO JOÃO DA BARRA/RJ WHICH, IF DECLARED, WOULD ATTRACT THE COURT ITSELF. DOCTRINE OF CONNECTION (ART. 103 OF CPC). JUDICIAL REORGANIZATION OF DIFFERENT ECONOMIC GROUPS, WITH THEIR OWN CORPORATE STRUCTURE AND ACTIVITIES, DIVERSIFIED ASSETS AND DEBTS. (...) Well... After the examination of the copies of the complaint and of the documents that supported it, included in the interlocutory appeal by appellant, one can conclude that the place where the OSX GROUP maintains the administration center of its business is the Municipality of Rio de Janeiro, therefore the jurisdiction for the processing of the judicial reorganization is, exclusively, the Lower

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Business Courts of the Judicial District of the Capital City, and not the Court of the Judicial District of São João da Barra/RJ (where there is only one port), as argued by appellant. (TJRJ, 14th Civil Chamber, AI No. 0064637-04.2013.8.19.0000, Reporting Judge GILBERTO CAMPISTA GUARINO, judged on February 19, 2014) - emphasis added.

54. Paes de Almeida¹⁰ ratifies that the expression “*main establishment*” refers to the place where the debtor directs, commands and manages its business - the administration headquarters - and Miranda Valverde¹¹ adds:

“(…) the one where the trader has the administrative headquarters of its business, where the general accounting is conducted, where the books required by the law are, a place where the orders that keep the company running and in order come from, even if the company’s registration document indicates that the principal place of business is in another place.”

55. In that sense, Ricardo Negrão¹² explains that:

“(…) therefore, the absolute principle of determination of the jurisdiction by the place where the businessman has its main establishment, **understood as such as the central point of the business where all orders that determine and discipline the economic movement of the production establishments come from, has prevailed in the new system.**”

56. Professor Waldo Fazzio Júnior¹³ also teaches in this regard:

“We can conclude, therefore, that main establishment, for the purposes of art. 3 of LRF, is not the one granted the title of main establishment by the company’s bylaws, but the one that is actually the vital center of the main professional activities of the economic agent, the core of its business, where the company is consolidated. **Thus, the main establishment is the center of the business operations, without, for that reason, being the center of its main interests.**” (FAZZIO JÚNIOR, 2008, p.51)

57. If it were “only” for the case law and legal scholars, there would be no doubts about the jurisdiction of this Judicial District to process and judge this judicial reorganization. However, there are other factual aspects that attract the jurisdiction of this Judicial District.

58. In the creditors’ location aspect, one must note that, though the creditors are spread in several places, Rio de Janeiro concentrates a significant number of such creditors, and the large majority is located in the Southeast (Rio de Janeiro, São Paulo, Belo Horizonte, Barueri, Contagem, Santana and Diadema):

Total Vendors - Unsecured		
City	Qty. Vendors	Total %
SÃO PAULO	18	15%
BELO HORIZONTE	12	10%
RIO DE JANEIRO	9	7%
MACAPA	9	7%
BARUERI	6	5%
FOREIGNER	4	3%
CONTAGEM	4	3%
NOVA LIMA	2	2%

¹⁰ ALMEIDA, Amador Paes de. *Curso de Falência e Recuperação de Empresas*. 27th Ed. São Paulo: Saraiva, 2006.

¹¹ VALVERDE, Miranda. *Comentários à Lei de Falências*. Quoted by Justice Nelson Hungria. 2002

¹² NEGRÃO, Ricardo. *Aspectos objetivos da lei de recuperação de empresa e de falências: Lei nº 11.101/05*. 2nd ed. - São Paulo: Saraiva, 2008.

¹³ FAZZIO JÚNIOR, Waldo. *Lei de Falências e Recuperação de Empresas*. 4th ed. São Paulo: Atlas, 2008

SANTANA	2	2%
DIADEMA	2	2%
VESPASIANO	2	2%
PEDRA BRANCA DO AMAPARI	2	2%
BRASILIA	2	2%
Other Cities	47	39%
Total Vendors	121	100%

59. Thus, it must be emphasized that, in addition to having several courts specialized in business law, the acknowledgement of jurisdiction of this Court to process this judicial reorganization will not cause any loss of access to the creditors, since the proceedings are electronic.

60. Moreover, it became common to hold virtual or hybrid General Creditors' Meeting ("GCM"), which allows the full participation of all creditors, regardless of the place where the judicial reorganization is in course. This modality may be adopted in this case, if necessary.

61. Finally, art. 22, I, "k" and "l" of LRF¹⁴ determines that the Trustee shall maintain an electronic address on the Internet with updated information on the proceedings, in addition to making available a specific electronic address for the creditors to present proofs of claim/divergences and contact them.

62. Based on the foregoing, the jurisdiction to process and judge this Judicial Reorganization is of one of the Lower Business Courts of the Judicial District of the Capital City of Rio de Janeiro, according to classical and contemporaneous interpretations of Article 3 of Law No. 11,101/2005.

IV. TRANSNATIONAL INSOLVENCY: COMPLIANCE WITH THE MAIN ESTABLISHMENT OF PETITIONERS AND THE CENTER OF INTERESTS OF DEBTOR FOR THE ACKNOWLEDGMENT OF THE JURISDICTION OF THIS JUDICIAL REORGANIZATION

63. Law No. 14,112/2020, in order to satisfy the evolution of the issue of transnational insolvency in Brazil - where there is a growing number of cases involving foreign companies, assets or creditors - incorporated the model Law of UNCITRAL (*United Nations Commission on International Trade Law*), a body of the UN (United Nations) responsible for the harmonization of international trade rules¹⁵.

64. The enactment of this model Law is intended to the treatment of transnational insolvencies, bringing procedural mechanisms to the cases involving debtors that have assets or liabilities in different countries, seeking the cooperation among jurisdictions. As in this case.

65. Said UNCITRAL model Law is currently adopted by more than fifty (50) countries; its priority is the respect to the sovereignty of each country, which was adopted by Law No. 14,112/2020, and it brought important determinations, such as (i) the cooperation between Brazilian authorities and representatives; (ii) the coordination among competing proceedings; and (iii) the jurisdiction for acknowledgment of the foreign proceedings¹⁶.

¹⁴ Article 22. The trustee is responsible for, under the supervision of the judge and the Committee, in addition to other duties that this Law imposes thereon: I - in the judicial reorganization and in bankruptcy: k) keeping an electronic address on the Internet, with updated information on the bankruptcy and judicial reorganization proceedings, with the option of consulting the main documents of the proceedings, save in case of a court order to the contrary; l) keeping a specific email address for receiving requests for proof of claim or for the submission of disagreements, both at the administrative level, with templates that may be used by creditors, save in case of a court order to the contrary.

¹⁵ <https://uncitral.un.org/en/about> - accessed on August 31, 2022.

¹⁶ CAMPANA FILHO, Paulo Fernando. *A Questão da Competência para Reconhecer Insolvências Estrangeiras. Questões Relativas à Competência Jurisdicional para Reconhecimento de Processos Estrangeiros de Insolvência*. p. 1213-1214.

66. Adopting that model, the proceedings can be recognized as principal or residual, depending on the presence of the center of the debtor's main interests or establishment.

67. In relation to the treatment to be granted to the transnational companies, article 167, I, of LRF established the jurisdiction of the judicial reorganization proceedings as the one where the center of the debtor's main interests are located - which, in this case, is the State of Rio de Janeiro.

"Art. 167-I: Regardless of other measures, the judge may acknowledge: III - the country where the debtor's domicile is located, in the case of individual businessmen, or the country of the debtor's registered office, in the case of companies, as its center of main interests, unless proven otherwise"

68. On the other hand, there may be also residual - not principal - proceedings in other jurisdictions where there are assets or creditors of this same debtor¹⁷.

69. As known, the transnational insolvency may adopt the following models: (i) territory system, whereby the Court of each country has jurisdiction to decide on the debtor's assets in its territory; (ii) universal system, whereby the effects of the insolvency proceedings are extended to other countries where the debtor has assets; and the (iii) mixed system, whereby there is a main procedure at the debtor's headquarters and secondary procedures in the countries where the debtor's assets are located.

70. Prior to Law No. 14,111/2020, Brazil adopted the territorial system, established in art. 3 of LRF.

71. However, after the inclusion of the chapter related to the transnational insolvency in the Brazilian legal system, a mixed system was adopted, whereby a main procedure is elected at the debtor's headquarters and other secondary procedures in the countries where there are assets or creditors.

72. Art. 167-I of LRF, by using the term "*center of main interests*" adopted what is established by UNCITRAL's Model Law, where it is ratified that the place where the company has its **main establishment** - called by the model law COMI (*Centre of Main Interests*) - will have to be recognized as the court of the main reorganization proceedings¹⁸.

73. Though their formal headquarters are in Australia, Petitioners Beadell 1 and Beadell 2 are not operational companies, but only "vehicles" to hold the shares and allow the funding of Mina Tucano necessary for the activities of the Tucano Group, which are exclusively carried out in Brazilian territory.

74. The only asset of Petitioners Beadell 1 and Beadell 2 are the quotas of Petitioner company Mina Tucano, with its principal place of business in this Judicial District, which makes it undisputed the conclusion that the center of main interests of Petitioners is located in Rio de Janeiro, as well as that the main establishment of the Tucano Group is found in Rio de Janeiro.

75. Likewise, the liability of Beadell 1 and Beadell 2 is also fully related to the main activity of the group, since its origin is in the agreement to purchase and refine gold from Mina Tucano, which is guaranteed by the Pledge and Quotas Agreement ("Pledge Agreement") of Mina Tucano itself.

76. By the way, said Pledge Agreement is another indication that the center of Petitioners' main interest is located here, since: (i) it determines that the obligations must be complied with in Brazil; (ii) it is supported by assets located in Brazil (quotas of Mina Tucano); (iii) it establishes that it is governed by the Brazilian legislation; and (iv) it elects the Courts of the Judicial District of Rio de Janeiro to settle disputes.

¹⁷ Mina Tucano will file an ancillary/secondary proceeding in New York to, among other issues, acknowledge the Brazilian jurisdiction, especially of this Judicial District, to process the Judicial Reorganization of this business group.

¹⁸ According to UNCITRAL's Model Law, the center of the debtor's main interest corresponds to "the place where the debtor usually exercises the administration of its interests in a usual manner, recognizable by third parties".

27 Governing law and jurisdiction. This Quota Pledge Agreement shall be governed by and construed for all purposes in accordance with the laws of the Federative Republic of Brazil, without regard to its provisions on the conflicts of laws. Any disputes arising out of this Quota Pledge Agreement will be settled by the central courts of the City of Rio de Janeiro, State of Rio de Janeiro.

28 Language. This Agreement is executed in the English and Portuguese languages. In case of a discrepancy, the Portuguese language version shall prevail.

29 Specific performance. For the purposes hereof, this Quota Pledge Agreement and any amendments hereto constitute an extra-judicial enforcement title (*título executivo extrajudicial*), as provided for under Article 783, Item III of the Brazilian Civil Procedure Code and the Pledgee may seek the specific performance of the

obligations undertaken herein by the Quotaholders, as provided for in Articles 497, 806 and 815 of the Brazilian Civil Procedure Code.

77. Moreover, art. 21, II, of CPC establishes that the Brazilian judicial authority has jurisdiction regarding actions where: *"the obligation has to be performed in Brazil"*.

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78. At the same time, the Law of Introduction to the Rules of the Brazilian Law ("LINDB") provides that the criterion to determine the applicable legislation is the place where the owner is located¹⁹, which is followed by legal scholars²⁰²¹²² and case law²³.

79. Thus, these foreign companies are essential in the group's restructuring process in this Judicial District, since its sole asset are precisely the quotas of Mina Tucano, which are encumbered with pledge in favor of one of the largest creditors of this judicial reorganization and must be protected against the enforcement of the pledge.

80. Indeed, though located in Australia, the main establishment of Beadell 1 and Beadell 2 operates here, which attracts the protection of the Brazilian judicial reorganization to protect its only asset and make the Mine's own business activity feasible.

81. This was the understanding of the Eighth Civil Chamber of this Court when it decided interlocutory appeal No. 0051668-49.2016.8.19.0000, at which time Reporting Judge Cezar Augusto Rodrigues Costa determined that *"the identification of the center of main interests of the economic group under reorganization is essential to determine the jurisdiction that will address the matter with international coverage."*

¹⁹ Art. 8. In order to qualify the assets and regulate the relations concerning them, the law of the country in which they are located shall apply.

(...)

Paragraph 2. The pledge is regulated by the law of the person's domicile, under which possession is the pledged asset. Article 12. The Brazilian judicial authority has jurisdiction when the defendant is domiciled in Brazil or when the obligation has to be complied with in Brazil.

²⁰ "The mechanics of the conflict of law in case of pledge, thus, starts with the qualification of the doctrine, which, according to the main section of art. 8, will be made by the law of the location of the asset, and it can be classified as ordinary pledge (the direct possession of the asset is transferred to the creditor, called pledgee) or as extraordinary pledge, with clause of fictitious delivery (the assets given as pledge continue under the direct possession of the debtor, as it occurs in rural - agricultural or livestock - pledge of the Brazilian Civil Code). Later, the law of the domicile of the direct possessor, which may be both the creditor and the debtor, depending on the type of pledge, is used. An important point for the pledge's legal system is the prohibition for the creditor to appropriate the pledged asset, set forth in the Brazilian Civil Code (art. 1428). This provision is considered by Tenório to be of public order, which would prevent the application of foreign law enabling such appropriation." RAMOS, André de C. *Curso de Direito Internacional privado*. (2nd edition). Editora Saraiva, 2021. Page 168.

²¹ "Art. 12, main section, of the Law of Introduction to the Rules of the Brazilian Law reflects precisely the general rule on international jurisdiction for litigations involving a defendant domiciled in Brazil and obligations enforceable in the Brazilian territory. The application of the rule is justified also by the rule included in articles 21 and 22 of the CPC, which addresses the concurrent international jurisdiction of the national judge." MARISTELA, Basso B. *Curso de Direito Internacional Privado*. (6th edition). Grupo GEN, 2019. Page 258.

²² "Reproducing the rule that was already included in art. 12, main section, of the Law of Introduction to the Rules of the Brazilian Law, item II of art. 21 of the Civil Procedure Code provides that the Brazilian judiciary authority has jurisdiction when the obligation has to be complied with in Brazil. **Also in Regulation No. 1215/2012 there are two courts with jurisdiction in the international plan (in addition to any court of choice) regarding claims related to the contractual matter: the court of the defendant's domicile (art. 4) or the court where the obligation that is the base of the request was or should be complied with (art. 7).**" Dolinger, Jacob, and Carmem Tiburcio. *Direito Internacional Privado*. (15th edition). Grupo GEN, 2019. Page 564.

²³ In a recent decision, STJ considered that the Brazilian Courts had jurisdiction to enforce the pledge guarantee of quotas, considering that, even if the main loan agreement had a foreign jurisdiction, the guarantee instrument elected the Brazilian courts. In addition, the fact that the obligation is enforceable only in Brazil does not allow an interpretation different from that in which the Brazilian courts have jurisdiction, as per the STJ - REsp: 1680016 SP 2017/0146750-7, Reporting Justice: Justice MOURA RIBEIRO, Trial Date: September 28, 2021, T3 - THIRD PANEL, Publication Date: Electronic Court Gazette 10/14/2021.

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82. Thus, he concludes that *“the application of the Brazilian legal system of reorganization is possible and necessary to assist in overcoming the economic and financial crisis of the debtors, whether they are national or foreign, even if they do not have a branch in this territory.”*. See the full entry of judgment:

“INTERLOCUTORY APPEAL. BUSINESS LAW. FOREIGN COMPANIES ORGANIZED IN THE NETHERLANDS AND INCLUDED IN THE JUDICIAL REORGANIZATION OF THE OI GROUP. CENTER OF THE MAIN INTERESTS OF THE ECONOMIC GROUP. BRAZILIAN TERRITORY. JURISDICTION OF THE BRAZILIAN COURTS. Decision to grant the judicial reorganization of Portugal Telecom International Finance B.V. (“PTIF”) and Oi Brasil Holding Coöperatief U.A. (“Coop”/“FinCo”) within the scope of the judicial reorganization of the Oi Group. Foreign companies organized in the Netherlands, where the bankruptcy of the companies was adjudicated. Interpretation of the principle of articles 3 and 47 of Law No. 11,101/2005. **Brazil is the center of main interests of the economic group under reorganization. Grounds for the determination of the Brazilian jurisdiction. Court precedents that confirm the reorganization of foreign companies having as criterion of determination of jurisdiction the main center of activity of the group.** Notwithstanding the adjudication of bankruptcy in the Netherlands, the legal mechanism adopted in Brazil for PTIF and FinCo, the purpose of which is the maintenance of the production unit, is the appropriate solution for the settlement of the problems resulting from a transnational fact. Appeal PARTIALLY HEARD and regarding that part DENIED.” (TJRJ, Interlocutory Appeal No. 0051668-49.2016.8.19.0000, Eighth Civil Chamber, Reporting Judge Cezar Augusto Rodrigues Costa, DJe of 10/31/2017)

83. In this sense, the 22nd Civil Chamber of this Court unanimously granted the appeal (No. 0034120-11.2016.8.19.0000) to determine the *“inclusion of the foreign companies in the original judicial reorganization proceedings”*.

84. This appellate judgment established that the *“foreign companies are part of the same economic group of SETE BRASIL, and the main establishment of the group must be considered as the main center of the activity that is developed in Brazil, specifically in this city of Rio de Janeiro, therefore the Brazilian courts also have jurisdiction to process the reorganization of the connected foreign companies.”*.

85. In this same line, the Court of Appeals of the State of São Paulo granted the judicial reorganization of OAS (Proceedings 1030812-77.2015.8.26.0100) under the argument that *“nothing prevents companies organized abroad but that have the main center of their activities in Brazil (COMI- Center of Main Interest) (...) from requesting the legal protection set forth in Law No. 11,101/05 before the Brazilian Courts”*.

86. Professor Marcelo Barbosa Sacramone also teaches that:

“the center of main interests must correspond to the place where the debtor conducts the administration of its interests in a regular manner, recognized by third parties. By this definition, as the main insolvency proceedings would tend to have a universal scope, affecting all creditors and subjecting all the debtor’s assets, one can assume that the creditors were aware of said center. The justification therefor is that the recognition by third parties is essential not for only the debtor’s insolvency risk but also for the costs and benefits of a consequent main procedure in a certain jurisdiction to be calculated and advanced.”²⁴

87. According to repeated decisions and the specialized legal scholars, the compliance with the place where the center of the main interests of the business companies is - with rebuttable presumption that it is located in the country and in the state of the principal place of business of the debtor company²⁵ - has as its scope to determine where the jurisdiction of the main judicial reorganization proceedings will be.

²⁴ SACRAMONE, Marcelo Barbosa. *Comentários à Lei de Recuperação de empresas e falência*, 2nd ed. São Paulo: Saraiva Educação, 2021, p. 639.

²⁵ SATIRO, Francisco and BECUE, Sabrina Maria Fadel. *A Adoção da Lei Modelo UNCITRAL e os graus de cooperação internacional: Processo estrangeiro principal, processo estrangeiro não principal e processos concorrentes*.

88. Thus, in this case, there are no doubts that the jurisdiction to process this judicial reorganization is where the *center of main interests* of the Tucano Group is located, that is, in the State of Rio de Janeiro, since **it is the place of the administrative headquarters of Petitioners.**

89. Based on the foregoing, in order to achieve a better coordination between different jurisdictions, it is imperative that this Court recognizes the Judicial District of Rio de Janeiro as the center of Petitioners' main interests.

90. Consequently, it is necessary for this Court to grant the regular processing of this judicial reorganization.

V. REASONS FOR THE ECONOMIC-FINANCIAL CRISIS (LFR, art. 51, I)

91. In attention to art. 51 of LRF, Petitioners explain that their **economic-financial crisis** results from four (4) main sources: (i) geotechnical problems in the pit Urucum Centro-Sul of Mina Tucano ("UCS"); (ii) inflation pressure in 2022; (iii) above-normal rainfall that accelerated costs and capital expenditures; and (iv) delay in the availability and mobilization of equipment by the main suppliers.

92. UCS. In October 2019 the company was required to suspend the ore extraction from the UCS pit, after detecting movement in one of the walls of the open operation, causing a setback of approximately seven (7) million tons of materials expected in 2021.



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Great Panther suspends activities in pit of the Tucano gold mine, in Amapá

Great Panther suspended again the ore extraction from the Urucum Centro Sul (UCS) pit of the Tucano gold

ouro Tucano, no Amapá. A companhia afirmou que, diante da paralisação, está revisando o plano de mina para "acelerar a produção de outras áreas, incluindo o desenvolvimento de uma mina subterrânea", mas |A prevê queda na produção em relação à faixa de meta original para o ano.

mine, in Amapá. The company stated that, given the suspension, it is reviewing the mine plan to "accelerate the production in other areas, including the development of an underground mine", but it already expects a reduction in the production in relation to the original target range for the year.

93. This episode required some measures by Petitioners and ended up by modifying the Mine exploitation schedule and investments in containment works, in order to avoid environmental damage.

94. If such extraordinary expense were not enough, Petitioners had to replace the UCS exploitation with another well, which altered the Mine schedule to exploit TAP-AB1 pit, a pit that later did not present the quantity and quality of ounces similar to those expected in UCS.

95. These investments in the UCS barrier containment and the return below expectations from the other wells resulted in the exhaustion of the cash reserves available to cope with a heavy withdrawal schedule in 2022.

96. As a result, Petitioners significantly increased its debt in 2022 to fund the operations.

97. **Inflation.** The inflation pressures in 2022 caused an increase in Mina Tucano's operating costs due to the more expensive diesel, explosives and other consumables important to the gold production process.

98. A brief comparison with the last years shows the impact of the price increase on the considerable decrease in the operating margin, as can be seen in the table and graph below:

In Millions of Reais	2020 Average	2021 Average	2022 Average (Jan-Jul)
(+) Monthly Revenue	92.0	62.2	46.8
(-) Monthly Production Costs	-41.3	-41.5	-37.7
(=) Operating Margin (%)	51.8%	33.2%	19.0%



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jan-20	Jan-20
fev-20	Feb-20
mar-20	Mar-20
abr-20	Apr-20
mai-20	May-20
jun-20	Jun-20
jul-20	Jul-20
ago-20	Aug-20
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dez-20	Dec-20
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set-21	Sept-21
out-21	Oct-21
nov-21	Nov-21
dez-21	Dec-21
jan-22	Jan-22
fev-22	Feb-22
mar-22	Mar-22
abr-22	Apr-22
mai-22	May-22
jun-22	Jun-22
Receita Mensal	Monthly Revenue
Margem Operacional da Mina	Mine's Operating Margin

99. The rise in inflation indexes has hindered the demand for commodities²⁶.



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Covid-19 afeta produção de ouro da Great Panther no terceiro trimestre

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Covid-19 affects Great Panther's gold production in the third quarter

²⁶

<https://www.noticiasdemineracao.com/produ%C3%A7%C3%A3o/news/1397152/covid-19-afetaprodu%C3%A7%C3%A3o-de-ouro-da-great-panther-no-terceiro-trimestre>

A Great Panther registrou a produção de 39.788 onças equivalentes de ouro (Au eq 02) no terceiro trimestre de 2020. O volume é 3% maior que a produção do trimestre anterior, mas representa uma redução de 16% em relação às 47.373 Au eq oz produzidas no mesmo período de 2019. A Great Panther atribui a queda anual na produção aos efeitos da Covid-19 e bloqueios contra a propagação do coronavírus, no caso de suas operações no México, e a uma mudança dos alvos de mineração na mina Tucano, no Amapá.

Great Panther recorded a production of 39,788 gold-equivalent ounces (Au eq oz) in the third quarter of 2020. The volume is 3% higher than the production of the previous quarter, but it represents a reduction of 16% in relation to the 47,373 Au eq oz produced in the same period of 2019. Great Panther attributes the annual reduction in the production to the effects of Covid-19 and blockades against the spread of coronavirus, in the case of its operations in Mexico, and to a change in the mining targets in the Tucano mine, in Amapá.

100. The effects of the commercial and production restrictions imposed by the interruption of the economic activities during the pandemic caused the lack of missing equipment as agreed upon before the crisis, non-availability of replacement parts, in addition to the diesel price increase and price increase of other consumables important to the gold production process.²⁷

101. The consequences are due to interruptions resulting from (i) staff shortages, (ii) non-availability of contractors and subcontractors, (iii) interruption of supplies and provision of services on which the Tucano Group depends, and (iv) restrictions imposed by governments.

102. **Above-normal rainfall** has led to accelerated costs and expenses in the tailings dam project, as well as the purchase of four evaporators to manage the high water levels in the tailings dams.

103. After the attempt to resume activities, a new movement was found on the West wall of UCS in May 2021, which was attributed to the high rainfall index in the region, therefore the Tucano Group had to suspend its activities again.

104. To solve the problem, Mina Tucano created the Geotechnical Review Committee ("**GRC**"), comprised by geotechnical consultants, with full geotechnical experience, which allowed for the resumption of the works in the Mine in July 2021.

105. Seeking to improve safety in the perimeter, Tucano Group's geotechnical committee determined the full suspension of UCS to install vertical drains at the location, which required high investments in structure, safety protocols that include monitoring by radar for wall movements, prisms and drone surveys, in addition to contracting experts to stabilize the pit's fixing.

106. However, despite the efforts of Mina Tucano, there was, in the third quarter of 2021, "*a reduction of 44% compared to the same period in 2020*", which occurred due to "*the higher than average rainfall*" and the movements in UCS pit wall²⁸, as included in a site specialized in mining.

107. Moreover, as said and reinforced in the mining sites, "*a movement was detected in the West wall of the UCS well in September and, to ensure the safety of the mining workers, the work was suspended for four days, until the conditions were considered stable.*"

²⁷ <https://valor.globo.com/empresas/noticia/2022/05/10/mineradoras-enfrentam-riscos-de-curto-prazo-mas-precos-das-commodities-vaio-se-recuperar.ghtml> - accessed on September 5, 2022.

²⁸ <https://www.brasilmineral.com.br/noticias/producao-de-ouro-e-menor-no-trimestre>



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Produção de ouro é menor no trimestre

A produção do trimestre foi inferior do que planejado principalmente por causa da baixa tonelagem de minério de Tucano

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Gold production is lower in the quarter

Production for the quarter was lower than planned mainly due to Tucano's lower ore tonnage

108. The UCS operations were suspended again in September and October 2021, to allow for the removal of approximately one point four (1.4) million tons of "residual material" from the UCS' upper West wall²⁹.

109. In December 2021, Mina Tucano contracted SRK Canada as the main consultant to continue the studies on the shakes in UCS' walls. Said study was concluded in June 2022, and a new design and modelling of the mine was approved by the GRC committee, so production resumed, but at a slower pace.

110. Despite the resumption of production, the Tucano Group suffered losses in 2021 and 2022, as well as the consumption of stock to bear the costs arising from the suspension and the necessary works.

111. **Failure of suppliers.** The availability of mining equipment below expectations due to delays in the mobilization contractors contributed to the delay in the gold production at the end of the second quarter and part of the third quarter, decreasing revenue.

112. This had a negative impact on productivity, which was lower than expectations due to other external factors, including the increase in the well congestion due to more restrict mining geometries and smaller explosions required to separate ore and waste at the Urucum Norte and Urucum Sul sites³⁰.

113. As disclosed by the specialized mining media³¹, Mina Tucano had a reduction in its production resulting from problems with its suppliers, which caused the change of the main supplier of heavy

²⁹ <https://www.noticiasdeminerao.com/seguran%C3%A7a/news/1413829/great-panther-retomaminera%C3%A7%C3%A3o-em-cava-da-mina-de-ouro-tucano> – accessed on August 30, 2022.

³⁰ <https://www.diariodoamapa.com.br/cadernos/cidades/apos-queda-na-producao-mina-tucano-tem-nova-mineradora-no-amapa/> - accessed on September 4, 2022.

³¹ <https://www.diariodoamapa.com.br/cadernos/cidades/apos-queda-na-producao-mina-tucano-tem-nova-mineradora-no-amapa/>
<https://www.noticiasdeminerao.com/empresas/news/1430474/great-panther-troca-um-por-minax-para-operar-mina-de-ouro-tucano-no-amap%C3%A1>
<https://clickpetroleoegas.com.br/multinacional-great-panther-troca-um-mineracao-que-administrava-a-mina-tucano-pela-mineradora-minax-apos-queda-na-producao-de-oncas-de-ouro/> - accessed on September 4, 2022.

equipment, to offset the deficit in the operation, which contributed to a reduction of 43% in production in the first quarter of 2022.

114. The former supplier had already been showing low rates in the delivery of equipment for the Mine's operation. Taking this into account and trying to circumvent the problems that started in 2021, Petitioners replaced it.

115. Though the substitution had, at first, reduced the costs of the agreement, the transition did not occur as contracted. The agreement with the new supplier was amended several times to extend the date of delivery of the equipment, which should have occurred in June and did not occur.

116. Thus, Petitioners continued to face a reduction in the gold production in the first quarter of 2022, during which Mina Tucano's revenue was approximately USD 57 million, about USD 12 million less than for the same period of 2021.

117. **Other factors.** Since the end of the gold and foreign exchange hedge agreements in 2013, the Tucano Group became susceptible to the risk in the gold price variations, which is negotiated in dollar, and for that reason it suffers great changes in accordance with the market's volatility.

118. Given that, Petitioners started having difficulties to pay their suppliers, as well as the bank financing, making its financial crisis even worse.

119. In addition to that, there is GPM's economic-financial crisis, which was not successful in its attempts to raise and contribute funds to the Tucano Group.

120. That is, added to the increase in the interest rate, the foreign exchange unbalance and the intense credit restriction, combined with the difficulty in contributing capital by GPM, caused relevant cash flow difficulties and liquidity crisis to Petitioners.

121. In addition to all difficulties reported, Petitioners also entered into some financial agreements that represented a liability of about 35 million Reais and that has been draining its weak cash flow.

122. In the scenario of financial difficulties where Petitioners are, the freezing of revenue, in addition to not paying their debts, will consume a large part of its revenue for the next months, preventing Petitioners, in the short term, from paying its current expenses.

123. In this context, the possibility of reaching the essential cash flow of Petitioners, through individual enforcement actions, has the effect of practically making Petitioners' operation unfeasible, the protection of the company's cash flow being essential during the Stay Period.

124. Even in this difficult scenario, Petitioners have not, at any time, ceased their activities, making it clear that the market oscillation, as well as any problems related to the suspension of USC are only temporary and that the companies have means to overcome the crisis, which liability is attached to this complaint and can (and should) be solved through this Judicial Reorganization.

125. Therefore, it is evident that the granting and processing of this Judicial Reorganization is the measure necessary to reverse the momentary situation of economic-financial crisis affecting Petitioners, in order to (i) stop the increase of the financial indebtedness, (ii) restructure the indebtedness with the support of its creditors, (iii) protect Petitioners from collection and enforcement actions, (iv) facilitate obtaining new resources, and (v) resize its operation and its relationship with suppliers and partners in order to overcome the current economic-financial crisis.

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**VI. OVERCOMING THE CRISIS AND INTEREST IN THE JUDICIAL REORGANIZATION
(CF, Art. 170, and LFR, Art. 47)**

126. Mina Tucano is comprised by: (i) eight open pits; (ii) an underground project; (iii) a processing plant of 3 million tons per year, including a ball mill, thickener and oxygen plant; and (iv) a tailings facility.

127. Mina Tucano also has mineral rights, concessions and leases, amounting to 197 thousand hectares of land.

128. In relation to its gold reserve, Mina Tucano had approximately 656 thousand ounces in July 2021.

129. Contrary to what occurs with other commodities, once “discovered” through appropriate studies, the gold remains at the same place, awaiting only the necessary investment or the most economically appropriate moment to be extracted.

130. In sectors such as pulp and agriculture, it is usual to have a dispute with the “competitor from the farm next door”, who may be able to plant more trees (pine, eucalyptus, bamboo) or have a record soybean harvest, taking market space from other players.

131. Moreover, in these examples of commodities demand is limited, and the product is perishable, factors foreign to the production of a company, but that directly influence the price to be practiced. Consequently, the business success.

132. In gold (or other precious metals) mining, in turn, it is different; the worldwide offer is very limited, the demand is very high, and the product simply does not perish.

133. So, in mining, how do you assess and project business viability? Through the mine’s useful life, the so-called LOM (*Life of Mine*³²).

134. And it is based on this technical reality that Petitioners stand out and demonstrate that, despite the temporary financial difficulty they have been going through, they are capable of recovering their business activity.

135. Analyzing the business through this photograph only, there would be no doubts that they can overcome the current cash flow difficulties, since the Mine’s useful life, considering the pits reserves, would still be another 2.5 years, and the useful life of the underground project would be 13 years. But that is not all. Petitioners still have environment and assets that increase this equation favorably.

136. **Infrastructure.** As already stated, in order to make the business activity feasible, Petitioners built a modern industrial plant, with excellent local infrastructure, with road access, hydroelectric power (with redundancy of diesel generators), telecommunication and simplified access to the port.

137. **Expertise and intelligence.** Petitioners’ qualified technical team identified the operations’ bottlenecks, mapped the measures to reduce expenses and optimization of resources for the resumption of a healthy operation.

138. In its almost 200 thousand hectares, the mine still has eight (8) open pits³³ (which requires less investment in the beginning of the exploitation), in addition to underground exploitation possibilities.

³² Life of Mine or “LOM” means the time in which ore reserves, or a reasonable extent of ore reserves justified by a conservative geological analysis, will be extracted through the use of available capital.

³³ Taperebá (pits A and B), Taperebá (pits A and C), Urucum and Duck head.

139. **Processing of gold stock.** In that line, as a way to preserve cash, reserves and the Mine's entire potential, Petitioners started to process only their gold stock that was already extracted.

140. Thus, Petitioners have structured themselves in an organized, technical and effective manner in order to receive the new investments needed to fully resume the exploitation.

141. However, in order to obtain new investments and apply the measures to increase its production, such measures are not sufficient considering the current indebtedness of Mina Tucano.

142. Thus, Petitioners also need to restructure its liability and protect themselves from abusive attacks against its property, in order to effectively - and safely - emerge from the crisis. Moreover, the Judicial Reorganization provides for incentives to raise new funds.

143. Therefore, the Judicial Reorganization will be an important mechanism for the recovery of Petitioners and the restructuring of the debts.

144. Given the current situation, it is necessary to create a safe environment for them to renegotiate with their creditors and made the necessary operating changes.

145. Thus, in order to prioritize the maintenance of the company potentially able to overcome a situation of momentary financial crisis, through the means listed in article 50 of LRF, Petitioners make use of this reorganization procedure so that they may recover and generate wealth and jobs, with undisputed benefits to their creditors as well.

VII. REQUIREMENTS AND SUPPORTING DOCUMENTS OF THE REQUEST FOR JUDICIAL REORGANIZATION (LRF, Arts. 48 and 51)

146. Petitioners prove compliance with all the legal requirements for the granting of the processing of the request for Judicial Reorganization, in conformity with LRF.

147. **ARTICLE 48, MAIN SECTION.** Petitioners regularly exercise their activities for more than two (2) years, a fact proven by the Federal Revenue Office registrations of their headquarters (Doc. 3) attached hereto.

148. **ARTICLE 48, ITEMS I, II AND III.** Petitioners never went bankrupt, they never requested granting of judicial reorganization, nor even based on a special plan, a fact proven by the respective certificates issued by the Civil, Interdictions and Guardianship Distributors attached hereto (Doc. 4).

149. **ARTICLE 48, ITEM IV.** Petitioners' Administrators have never been convicted for any of the crimes set forth in Law No. 11,101/2005, a statement proven by clearance distribution certificates (Doc. 5).

150. **ARTICLE 51, ITEM I.** The concrete causes of the request are explained, in detail, in Chapter V of this complaint.

151. **ARTICLE 51, ITEM II.** Petitioners attach the accounting statements related to the three (3) last fiscal years of 2019, 2020 and 2021, specially prepared to support the request, comprised by interim balance sheets, as well as the income statement since the last fiscal year (Doc. 6), and the consolidated managerial cash flow and projected cash flow report (Doc. 7).

152. **ARTICLE 51, ITEM III.** Petitioners attach the complete name list of their respective creditors (Doc. 8), subject or not to judicial reorganization, including the legal businesses executed with the creditors addressed in paragraph 3 of article 49 of this Law, including the physical and electronic address of each

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one, the nature, as established in articles 83 and 84 of this Law, and the adjusted amount of the claims, stating their origin and their due dates.

153. **ARTICLE 51, ITEM IV.** Petitioners attach the full list of their respective employees, with their titles and salaries for the reference month (Doc. 9), submitted in a separate motion, directly to the office of the Court's Clerk, in camera, so that the access thereto is restricted to this Court, to the Trustee and to the representative of the Public Prosecutor's Office.

154. **ARTICLE 51, ITEM V.** Petitioners attach their respective Articles of Association and latest Amendments registered at the Commercial Register of the State of Rio de Janeiro and of Amapá (Doc. 2).

155. **ARTICLE 51, ITEM VI.** Invoking the constitutional right to fiscal secrecy, Petitioners request that their partners' statements (Doc. 10), submitted in a separate motion, directly at the office of the Court's Clerk, in compliance with article 51, VI, of LRF, be received and duly filed at the office of the Court's Clerk, in camera, so that the access thereto be restricted to this Court, to the Trustee and to the representative of the Public Prosecutor's Office.

156. **ARTICLE 51, ITEM VII.** Petitioners request that this Court authorize the submission in a separate motion, directly to the office of the Court's Clerk, of the statements of their respective bank accounts and of the Central Bank (Doc. 11 - which will be attached under secrecy)

157. **ARTICLE 51, ITEM VIII.** Petitioners submit the certificates of the Protest Offices of the City of Rio de Janeiro and the City of Pedra Branca do Amapari (Doc. 12).

158. **ARTICLE 51, ITEM IX.** Petitioners attach the list of court actions in which they are plaintiffs or defendants, as well as a statement informing that they are not party to any arbitration procedure (Doc. 13).

159. **ARTICLE 51, ITEM X.** Petitioners attach the detailed fiscal report of the administrative notes only (proving the domicile in Rio de Janeiro), which demonstrates that there are no judicial claims against Petitioners (Doc. 14).

160. **ARTICLE 51, ITEM XI.** Finally, and fully complying with article 51 of LRF, Petitioners attach the list of assets and rights part of the non-current asset (Doc. 15).

161. In addition, Petitioners attach the certificates issued by the 9th Distributor and by the Federal Courts (Doc. 16), as well as by the Labor Courts (Doc. 17), and the respective powers of attorney (Doc. 1).

162. Regarding the documents indicated in art. 51, item VI, corresponding to the list of private assets of the debtor's controlling partners and of administrators, list of employees and statement of the Central Bank, Petitioners request that this Court authorize the submission in a separate motion, directly to the office of the Court's Clerk.

163. The purpose of the filing of such documents at the office of the Court's Clerk is to maintain the secrecy of personal information of those that daily contribute to the development of Petitioners' economic activity.

164. Therefore, they request that said documents remain under seal, so that the access is restricted to this Court, to the Trustee to be appointed and to the representative of the Public Prosecutor's Office.

165. Finally, according to the reasons explained in detail in Chapter II of this complaint, all Petitioners depend on the granting for the processing of the request for Judicial Reorganization in order to maintain their production activity.

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166. Finally, they further inform the attachment of the photos of the headquarters (Doc. 18), as well as of the minutes of the extraordinary general meeting for resolution of the request for judicial reorganization (Doc. 19).

VIII. TIMELY SUBMISSION OF THE JUDICIAL REORGANIZATION PLAN

167. Petitioners inform that the Judicial Reorganization Plan (PRJ) will be duly submitted within **sixty (60) days**, from the date of publication of the decision granting the processing of this request for Judicial Reorganization, as established in article 53 of LRF.

168. At the moment of submission of the PRJ, the means of reorganization, as well as their economic-financial feasibility and the assessment report of the Petitioners' assets, will be demonstrated in detail.

IX. INJUNCTION REQUEST FOR URGENT RELIEF - STAY PERIOD (LRF, Art. 6, paragraph 12, and CPC, Art. 300)

169. With the enactment of Law No. 14,112/2020 and the innovation brought to the Judicial Reorganization doctrine, as well as the known purpose of preserving the company, it will be incumbent upon the judge to analyze the requirements of art. 300 of CPC³⁴, in order to anticipate the effects of granting the processing³⁵.

170. Art. 6, paragraph 12, of LRF expressly authorizes the granting of urgent relief to anticipate the effects of granting judicial reorganization. Pursuant to art. 300 of CPC, the urgent reliefs may be granted if there are elements that evidence the probability of the right and the danger of damage or risk to the useful result of the proceedings.

171. By filing the request for judicial reorganization, it is understood that the debtor company is going through a serious financial crisis, and needs breathing room to survive and, consequently, the danger of damage is characterized by the possibility of restriction of the debtor company's assets by creditors subject to the judicial reorganization.

172. The Judge of the Court of Appeals of the State of São Paulo, Daniel Carnio, teaches³⁶:

"This legal provision is extremely important for the protection of companies that seek judicial reorganization in court. This is because the simple filing of the request causes a real gold rush, with the filing of actions by creditors seeking their rights, before the court grants the suspension set forth in Law No. 11,101/2005, art. 6, paragraph 4. By allowing the suspension even before the processing of the judicial reorganization is granted, the law protects the debtor and ensures the court the tranquility of not processing the judicial reorganization of a company whose status is irregular".

173. As known, it is common to have clauses for the acceleration of debts in case of judicial reorganization, and the mere filing of the request for judicial reorganization causes a rush for the debtor's assets.

³⁴ Article 300. An urgent relief will be granted if there are elements that evidence the probability of the right and the danger of damage or the risk to the useful result of the proceedings.

³⁵ It must be provided, for easy access, the content of the legal text of article 6 of Law No. 11,101/05: "The adjudication of bankruptcy or the granting of the judicial reorganization processing implies: Paragraph 12. Observing the provisions of art. 300 of Law No. 13.105, of March 16, 2015 (Civil Procedure Code), the judge may anticipate, in whole or in part, the effects of granting the processing of the judicial reorganization".

³⁶ (COSTA, Daniel Carnio. *Comentários à lei de recuperação de empresas e falência: Lei 11.101, de 09 de fevereiro de 2005* / Daniel Carnio Costa, Alexandre Correa Nasser de Melo – Curitiba: Juruá, 2021. page 72).

174. As an example, see the content of a clause in an agreement entered into with Mina Tucano, according to which the filing of judicial reorganization will cause the early maturity of the obligations set forth in the agreement:

SECTION 4. Default

Default hereunder shall occur on the happening of any one or more of the following events (each an "Event of Default"):

(A) Failure of Pledgor to keep or perform any of the terms or provisions of this Pledge and Security Agreement.

(B) Levy anywhere of any attachment, execution or other process against Pledgor or any of the Collateral.

(C) Default by the Pledgor in the payment in full of any amount due hereunder or default by the Borrower in the payment in full of any amount due under the Loan Documentation.

(D) Insolvency, failure in business, appointment of an administrator or general assignment for the benefit of creditors, filing of any petition in bankruptcy, "concordata", dissolution, liquidation, reorganization, adjustment, composition, indebtedness or similar legislation or proceedings or circumstance initiated by or against the Pledgor or the Borrower, or adversely affecting the Collateral, or if in the reasonable discretion of the Secured Party the Pledgor's financial obligation is such that the payment by the Pledgor of any amount due by it is threatened.

175. Thus, the danger of damage is evident, taking into account the possibility of early maturity of the obligations and start of pursuing claims subject to the judicial reorganization, since any cash and asset commitment at this already so delicate moment may impair the entire restructuring and a collective negotiation with all creditors to overcome the crisis.

176. The urgent relief not only ensures the feasibility of the debtor company but also the *par conditio creditorum*, since it makes it impossible for creditors to promote a frantic rush for the debtor's assets, even before the granting of judicial reorganization processing.

177. Based on the foregoing, it is clear that the probability of the right was fully proven, since the requirements of art. 48 of LRF were met and all documents indicated in art. 51 of LRF were attached.

178. Moreover, all requests made herein are supported by direct and unequivocal case law, which strengthens even more the probability of the right claimed, and the request for advance protection is based on the need of recovery of Petitioners.

179. According to the words of Professor Fábio Ulhoa Coelho, the purpose of the suspension dealt with herein is the reorganization of the business company, and it is the creditors' interest to preserve the debtor company's property, so that the compliance with the *par conditio creditorum* is ensured in the exclusive court³⁷.

180. It must be noted that, even if the documentary requirements provided for in LRF are not fully complied with, the granting of such measure is necessary for later submission of the missing documents, with the due safety provided by the suspension of art. 6 of the Law.

³⁷ "The individual enforcement actions are suspended against the individual businessman or business company that requested judicial reorganization, so that they may have the breathing room necessary to reach the purpose intended with the company's reorganization. The judicial reorganization is not a post-petition enforcement, and for that reason it does not override individual enforcement actions in course. The suspension has different grounds here. If the enforcement actions were to continue, the debtor could have the purposes of the judicial reorganization frustrated, to the ultimate detriment of the group of creditors." (COELHO, FÁBIO ULHOA. *Comentários à Lei de Falências e Recuperação de Empresas* / Fábio Ulhoa Coelho. - 14. ed. revised, updated and extended. - São Paulo: Thomson Reuters Brasil, 2021, page 66).

181. In this sense:

INTERLOCUTORY APPEAL. **DECISION THAT GRANTED THE PROCESSING OF THE APPELLEES' JUDICIAL REORGANIZATION. APPEAL BY CREDITOR. ALLEGATION OF VIOLATION OF ARTICLES 48, 51 AND 69-J OF LAW No. 11,101/05. DOCUMENTATION SUBMITTED THAT IS SUFFICIENT TO ADMIT THE GRANTING OF THE JUDICIAL REORGANIZATION PROCESSING** (...) THERE IS NO OBSTACLE FOR THE MISSING DOCUMENTS TO BE SUBMITTED LATER, INCLUDING IN RELATION TO THE CO-APPELLEES, RURAL PRODUCERS. DOCUMENTS THAT DEMONSTRATE THE EXERCISE OF THE RURAL ACTIVITIES BY APPELLEES, MORE THAN 2 YEARS AGO, WITHOUT ANY EVIDENCE TO THE CONTRARY. INCREASED INTERPRETATION OF ART. 48, PARAGRAPHS 3 AND 4, OF LAW No. 11,101/05. (...) ABSENCE OF ELEMENTS INDICATING ANY IRREGULARITY OR FALSEHOOD IN THE INFORMATION PROVIDED. **PROCESSING OF THE JUDICIAL REORGANIZATION THAT DEPENDS ONLY ON THE FORMAL VERIFICATION OF THE OBJECTIVE REQUIREMENTS OF ARTS. 48 AND 51, OF LAW No. 11,101/05. APPEAL DENIED.**" (TJSP, Interlocutory Appeal 2165325-61.2021.8.26.0000, Reporting Judge Alexandre Lazzarini, 1st Chamber Dedicated to Business Law, DJe of October 20, 2021).

182. Based on the foregoing, Petitioners request, based on article 300 of CPC, the granting of urgent relief, in order to grant the anticipation of the effects of the Stay Period.

X. **REQUESTS**

183. Based on the foregoing, Petitioners request:

- a) the granting of the request for urgent relief in order to grant the **anticipation of the effects of the Stay Period**, set forth in article 6 of LRF;
- b) the granting of the processing of this request for Judicial Reorganization, in procedural consolidation/joiner of plaintiffs, so that, pursuant to article 52 of Law No. 11,101/2005:
 - (i) A Trustee be appointed;
 - (ii) The suspension of all actions and enforcements in course filed against Petitioners, within the legal term, be hereby ordered;
 - (iii) The waiver of submission of clearance certificates for the exercise of their activities be determined;
 - (iv) The Public Prosecutor's Office be notified, and official letters be issued in order to inform the Federal, State and Municipal Public Treasuries; and
 - (v) The call notice set forth in article 52, paragraph 1, of LRF, be published.

184. Moreover, based on the constitutional guarantees for protection of intimacy and tax secrecy, Petitioners request authorization for the statements of assets submitted in compliance with art. 51, VI, of LRF, as well as the other documents indicated as confidential in this motion, to be filed in camera or filed in the premises of the office of this Clerk's Court, with access limited and restricted to the Trustee and the representative of the Public Prosecutor's Office.

185. Finally, Petitioners inform that the professional address of their appointed attorneys is at Avenida Marechal Câmara, nº 271, 3º andar, Centro, Rio de Janeiro - RJ, where they may receive notices, and request that all notices be made exclusively in the name of **JULIANA BUMACHAR**

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22-11198-lgb Doc 20-1 Filed 09/15/22 Entered 09/15/22 13:51:25 Exhibit A -
 Certified Translation of RJ Petition Pg 37 of 91
 Matricula na JUCESP nº 787 CCM nº 9.743.188-5 (São Paulo, SP) CPT/MF nº 108.911.608-09
 RG nº 14.873.251 SSP/SP

Tradução nº 14558

Livro nº 223

Folha nº 198

(bumachar@bumachar.adv.br), enrolled in the Brazilian Bar Association - Rio de Janeiro Chapter (OAB/RJ) under No. 113.760, **under penalty of nullity** (CPC, art. 272, paragraph 5).

183. The amount ascribed to the claim is BRL 1,176,385,136.43.

On which terms,

Granting is requested.

Rio de Janeiro, September 6, 2022.

Juliana Bumachar
Brazilian Bar Association – Rio de Janeiro
Chapter (OAB/RJ) No. 113.760

Vitor Hugo Erlich Varella
Brazilian Bar Association – Rio de Janeiro
Chapter (OAB/RJ) No. 136.509

Hayna Bittencourt
Brazilian Bar Association/Rio de Janeiro
Chapter (OAB/RJ) No. 174.213

Thiago Carapetcov
Brazilian Bar Association – Rio de Janeiro
Chapter (OAB/RJ) No. 151.772

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Juliana Jesus
Brazilian Bar Association - São Paulo Chapter
(OAB/SP) No. 391.632

Konrad Güth
Brazilian Bar Association – Rio de Janeiro
Chapter (OAB/RJ) No. 218.184

Mina Tucano Ltda.

Beadell (Brazil) PTY Ltd.

Beadell (Brazil) PTY Ltd.

IN WITNESS WHEREOF, I hereunto set my hand and seal.

São Paulo, September 14, 2022

CRISTINA GONZALES

Rec. Nº.: 7231
 Talão Nº.: 56
 Emol.: R\$ 8.238,40
 Nº de caracteres: 74915 (sem espaço)

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**EXMO. SR. DR. JUIZ DE DIREITO DA ____ VARA
EMPRESARIAL DA COMARCA DA CAPITAL DO ESTADO DO
RIO DE JANEIRO**

Recuperação Judicial

(art. 47 da Lei nº 11.101/2005)

GRERJ Eletrônica nº 42537302022-95

MINA TUCANO LTDA., sociedade empresária limitada, inscrita no CNPJ nº 05.642.709/0002-95 e registrada na Junta Comercial do Estado do Rio de Janeiro – JUCERJA sob o NIRE 33.9.0073902-6, com endereço na Rua Voluntários da Pátria, nº 89, sala 603, Botafogo, no Município e Estado do Rio de Janeiro, CEP 22.270-000 (“Mina Tucano”); **BEADELL (BRAZIL) PTY LTD.**, pessoa jurídica inscrita no CNPJ sob o nº 11.741.599/0001-30, com sede em Brookfield Place Tower 2, Level 16, 123 St. Georges Terrace, West Perth, WA 6000, Austrália (“Beadell 1”); e **BEADELL (BRAZIL 2) PTY LTD.**, pessoa jurídica inscrita no CNPJ sob o nº 11.741.601/0001-71, com sede em Brookfield Place Tower 2, Level 16, 123 St. Georges Terrace, West Perth, WA 6000, Austrália (“Beadell 2” ou, quando em conjunto com as demais, as “Requerentes” ou “Grupo Tucano”), vêm, por seus advogados abaixo assinados, regularmente constituídos (Doc. 1), com fundamento nos artigos 47 e 48, da Lei nº 11.101/05 (LRF), ajuizar o presente pedido de

RECUPERAÇÃO JUDICIAL

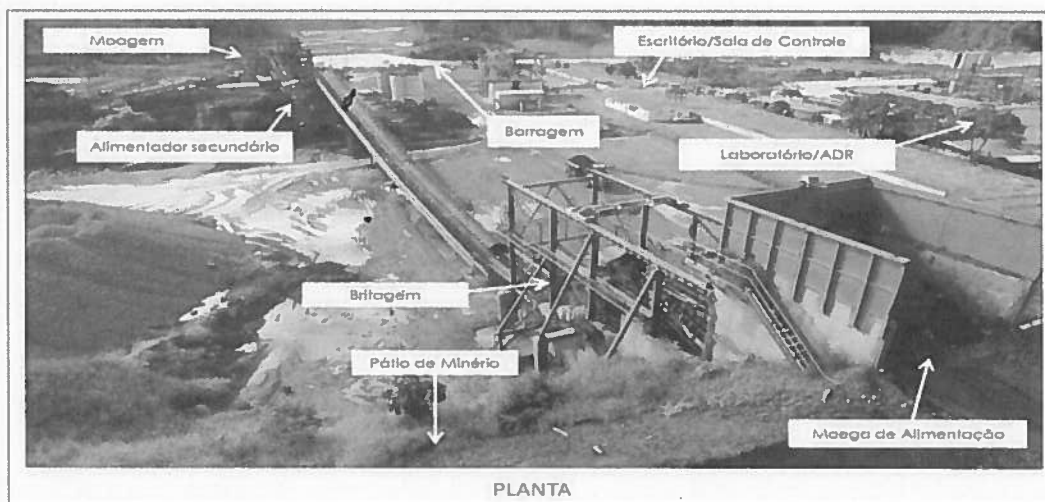
pelas relevantes razões de fato e de direito que passam a expor.

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I. HISTÓRICO DAS REQUERENTES

1. A Mina Tucano é detentora de concessão de lavra de uma das maiores minas de ouro a céu aberto no Brasil, que abriga numerosos depósitos de ouro e tem como atividade principal a extração sustentável e beneficiamento de ouro, que consiste no tratamento das rochas extraídas na mineração para transformação em matérias-primas com maior valor econômico agregado (“Mina”).

2. A Mina está estabelecida em um lote de terras que abrange cerca de 200.000 hectares em Vila Nova Greenstone e conta com uma planta de carbono em lixiviação com capacidade de processar até 10.000 toneladas de ouro doré, responsável pela produção de 125.417 onças de ouro¹.



3. Contudo, antes de alcançar esse estágio de uma das maiores mineradoras do Brasil, é necessário contextualizar as origens da Mina Tucano.

¹ Dados de 2021.

4. Em abril de 2003 foi constituída a Mineração Pedra Branca do Amapari Ltda. (Mineração Pedra Branca), na Cidade e Estado do Rio de Janeiro (Doc. 2).

5. Aproveitando o momento de alta no setor minerário nacional e de diversos investimentos na atividade extrativa de ouro, a Mineração Pedra Branca iniciou suas atividades de extração na Mina.

6. A Mineração Pedra Branca inaugurou a implantação de seu projeto em junho de 2004, finalizando a construção das instalações necessárias para operar a Mina no final de 2005, quando concluiu os testes de comissionamento da usina de beneficiamento do minério.

7. Assim, em 2005, a Mineração Pedra Branca, constituída na capital do Rio de Janeiro, iniciou as produções e comercializações de ouro através da Mina, que possui sua planta situada no Amapá.

8. Contudo, por falta de tecnologia, não era possível extrair o máximo da mina. Assim, em 2010, a Mina Tucano foi adquirida pela Beadell Resources Limited ("Beadell Resources"), que constituiu as companhias australianas, ora Requerentes, Beadell 1 e Beadell 2, que, juntas, possuem 100% das quotas da Mina Tucano.

9. Para modernizar a operação, foi construída uma nova planta de processo, incluindo britagem, moagem e *Carbon in Leach* - CIL, apresentando uma nova planta de beneficiamento do ouro na Mina.

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10. A conclusão da planta de beneficiamento do ouro permitiu que o tempo global do processo fosse reduzido e contribuiu para que a Mina tivesse um dos mais baixos custos operacionais do mundo.



11. Contudo, apesar do alto investimento em tecnologia realizado até então, a Beadell Resources teve dificuldades para implementar o setor de produção de ouro, de forma que foi necessário o aporte de novos recursos nas atividades da empresa.

12. Assim, em 24/09/2018, a empresa Great Pather Mining Limited (“GPM”), celebrou um contrato com a Beadell Resources, que era à época a única acionista da Beadell 1 e Beadell 2, que por sua vez, são as únicas quotistas da Mina Tucano (Doc. 2).

13. Por meio desse contrato, a GPM adquiriu todas as ações ordinárias emitidas e em circulação da Beadell Resources e, em 05/03/2019, a Beadell Resources, passou a ser uma subsidiária integral da GPM.

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14. Assim, GPM passou a controlar a Beadell Resources, que, por sua vez, controlava as Requerentes Beadell 1 e Beadell 2, que, juntas, possuem 100% das quotas da Mina Tucano.

15. As Requerentes Beadell 1 e Beadell 2 não tem qualquer operação e servem apenas como veículo para deter as quotas da Mina Tucano e captar recursos para a Mina Tucano.

16. Nesse sentido, em 26/02/2021, a Beadell 1 fez aportes de capital na Mina Tucano, com expressa anuência da Beadell 2, os quais foram totalmente integralizados ao capital social no mesmo ano (Doc. 11 – que será anexado em sigilo).

17. No desenvolvimento de suas atividades, o Grupo Tucano adquiriu equipamentos, expandiu a planta da Mina, contratou novos funcionários e novas tecnologias, o que permitiu processar mais minério sulfetado e aumentar a recuperação (produtividade) em 8% (oito por cento).

18. Diante da expansão das atividades, houve relevante aumento dos empregos relacionados ao Grupo Tucano, que chegou ao patamar de 1.500 funcionários diretos e indiretos, além da circulação de riqueza, ampliação do comércio local, dentre outras melhorias.

19. A Mina Tucano passou a ser referência nas políticas de sustentabilidade, saúde, segurança, responsabilidade ambiental e desenvolvimento das comunidades locais.

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FUNCIONÁRIO COM DEVIDOS EPI's

20. Tendo em vista este crescimento sustentável, a Mina Tucano foi listada em 19º lugar entre as 100 maiores mineradoras e em 5º lugar entre as maiores produtoras de ouro do Brasil².

OS PERTOS DAS 100 MAIORES

Produção em 2020
Bauxita: 7,120 milhões t (Brasil)

Minas em atividade
Juruti desde 2009 a Alcoa opera a Mina de Bauxita de Juruti, localizada no Plaqu Capimanga (Juruti PA), onde produz minério de alumínio/bauxita. A capacidade instalada é de 740tpa (bauxita). A planta de beneficiamento, instalada na mesma região, possui capacidade de produção de 780 t/d de concentrado (bauxita). O processo é composto pelas etapas de britagem e lavagem, busca de rejeitos acumulados e pilhas de estocagem de bauxita. Produzido bauxita. Em Poços de Caldas a companhia possui 12 minas de bauxita, em operação desde 2003.

Contingente de empregados
Br: 12.500 (Global)

19 Mina Tucano
RAZÃO SOCIAL
Mina Tucano Ltda.
www.groutpanther.com
Controle Acionário
Grout Panther Mining Limited

Produção em 2020
Minério Bruto/Rea of Min: 1.859,037 toneladas de minério.
Minério beneficiado: 3.359,041 t.
Ouro: 125,4 mil onças

Fatos relevantes em 2020
Infraestrutura elétrica; Recuperação de Áreas Degradadas; Elevação da barragem de rejeitos

Mina Tucano - Sumário de Equipamentos
Serviço de Recuperação e Pintura estruturas metálicas; Implantação de equipe Geotécnica; Implantação de sistema de monitoramento remoto por radar em áreas de lavra; Redução do consumo de reagentes químicos; Infraestrutura elétrica em park da geração de energia; Revu preçação de Áreas Degradadas; Implantação do sistema de internet por Fibras ópticas; Realização da construção da barragem Leite; Instalação de planta de britagem de Seta; Encimando da Lacerção de Operação da Ilustração 1 este; LOP pesquisa mineral para área processo ANM 858.076/2009 - Serra de Caragu, Revitalização e adaptação dos viveiros de mudas; Homologação de empresa para destinação de todos os rejeitos perigosos e rejeitos serviços saúde; Construção de uma trincheira para destinação de rejeitos classe II; Recobrimento do Solo Sustentabilidade: Bonito Verde.

Minas em atividade
Mina Tucano, em Pedra Branca do Arapuaçu (AP), para produção de ouro. A capacidade instalada é de 3.500.000 t/ano. Início de operação: Janeiro/2005. Método de lavra: Convencional CIL.

Investimentos Realizados em 2020
Pesquisa geológica: US\$ 1.004.930
Pesquisa tecnológica: US\$ 175.391

Equipamentos: US\$ 169.372
Infraestrutura: US\$ 1.328.553
Meio ambiente: US\$ 171.342
Ouro: US\$ 4.127.813

Investimentos Programados para 2021
Pesquisa geológica: US\$ 7.152.956
Pesquisa tecnológica: US\$ 557.053
Equipamentos: US\$ 1.481.674
Infraestrutura: US\$ 1.431.842
Meio ambiente: US\$ 189.474
Ouro: US\$ 3.045.053

Contingente de empregados
Total: 476 funcionários - Dos quais 1 é jovem aprendiz (base: Dez/2020)

20 Ferrous
RAZÃO SOCIAL
Ferrous Resources do Brasil S.A.
(Ver perfil Vale)

21 Mineração Serra Grande
RAZÃO SOCIAL
Mineração Serra Grande S.A.
(Ver perfil AngloGold Ashanti)

22 Extrativa Mineral
RAZÃO SOCIAL
Extrativa Mineral Ltda.
www.extrativa.com.br
Controle acionário
Cedro Mineração

Fatos relevantes em 2020
Em outubro de 2020 a Seta de Minas Gerais revogou a licença de operação da Extrativa Mineral e de suas controladas, a Cedro Mineração, atendendo a um pedido do Ministério Público de Minas Gerais. A alegação foi de que as empresas descumpriram um Termo de Ajustamento de Conduta, no qual a extração de minério em área não permitida. Em janeiro de 2021 a empresa e o MPMG assinaram um novo Termo de Ajustamento de Conduta que condiciona a volta da operação ao cumprimento de uma série de medidas.

Produção em 2020
Minério de ferro: 1,4 milhão t (estimada)

Minas em Atividade
A Extrativa Mineral opera uma mina de minério de ferro em Morro do Gama, Nova Lima (MG), onde vacata lava a céu aberto e uma unidade de tratamento de minério via úmido. A instalação tem capacidade para produzir 150 mil t/ano.

Número de empregados
650

23 Votorantim Cimentos
RAZÃO SOCIAL
Votorantim Cimentos Brasil Ltda.
www.votorantimcimentos.com.br
Composição Acionária
Votorantim Industrial S.A. (100%)

Fatos Relevantes em 2019
Em 2020, o receita líquida da Votorantim Cimentos atingiu R\$ 16,7 bilhões e o Ebitda

² Fonte: <https://www.brasilmineral.com.br/revista/411/>. Para mensurar o ranking, a revista utiliza os dados das contribuições de CFEM, importante taxa sobre a mineração convertida em iniciativas de impacto socioeconômico nos estados mineradores – acesso em 30/08/2022.

21. A Mina Tucano também emitiu o Selo Sustentabilidade Tesouro Verde, que comprova a adoção de práticas sustentáveis e responsáveis do ponto de vista ambiental, social e de governança corporativa³.

22. Contudo, apesar do seu promissor desenvolvimento, as Requerentes passam por uma momentânea crise econômico-financeira por motivos não imputáveis ao Grupo Tucano, não restando alternativa, senão o ajuizamento do presente pedido de recuperação judicial.

II. LITISCONSÓRCIO ATIVO – CONSOLIDAÇÃO PROCESSUAL – GRUPO SOB CONTROLE SOCIETÁRIO COMUM (CPC, Art. 113 c/c LRF, Art. 69-G)

23. Em consonância ao entendimento já consolidado da jurisprudência⁴, a Lei nº 14.112/2020 trouxe a possibilidade de litisconsórcio ativo entre os integrantes do mesmo grupo societário.

24. Nesse sentido, o art. 69-G da LRF, prevê a possibilidade de litisconsórcio ativo para as sociedades que integrem grupo sob controle comum para ingressarem com o pedido de Recuperação Judicial.

25. Assim, emoldurado com a nomenclatura de consolidação processual, 02 (duas) ou mais sociedades podem pleitear que sejam processados conjuntamente seus pedidos de Recuperação Judicial em litisconsórcio ativo (CPC, art. 113).

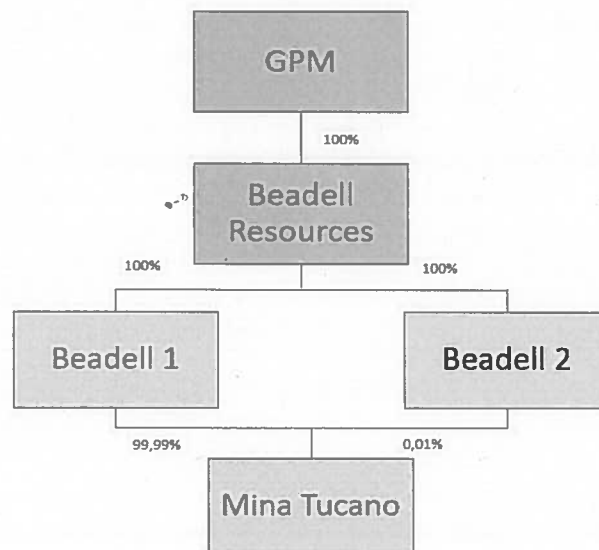
³<https://ibram.org.br/noticia/mineradora-adota-selo-sustentabilidade-tesouro-verde-nas-operacoes-financeiras/> - acesso em 01/09/2022.

⁴ REsp 1665042/RS, Rel. Ministro Ricardo Villas Bôas Cueva, Terceira Turma, julgado em 25/06/2019, DJe 01/07/2019

26. A inédita Seção IV-B, da LRF positivou o que a doutrina ora explicava: os seus pressupostos de existência (grupo de sociedades interligadas – de fato ou de direito, sob controle societário comum, interdependência econômico-financeira, atividades similares e/ou complementares).

27. Como se sabe, o surgimento dos grupos empresariais é prática comum no mercado global. Empresas aproveitam ativos, colaboradores, certificados de capacitação técnica, balanços (para conseguir financiamentos e empréstimos) e reputação de empresas irmãs (subsidiárias, coligadas e afiliadas em geral) para obter vantagens frente à concorrência no mercado.

28. No presente caso, as Requerentes formam juridicamente um grupo societário de fato e de direito que facilita as atividades desenvolvidas no seu objeto social e possuem a seguinte disposição societária:



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29. A Requerente Mina Tucano é a principal sociedade entre as três requerentes do Grupo Tucano (destacadas em cinza no quadro acima), aquela que concentra quase que a totalidade dos credores, além de explorar a principal atividade econômica e de acolher a sede administrativa central, localizado no Rio de Janeiro.

30. Já as requerentes Beadell 1 e Beadell 2 são *holdings*, detêm a totalidade das quotas da Mina Tucano e a auxiliam no desenvolvimento de suas atividades. Beadell 1 e Beadell 2 foram criadas para permitir a captação de recursos no exterior e para dar suporte societário às atividades do Grupo Tucano.

31. Com sociedades organizadas que atuam combinando esforços e recursos para exploração de ouro (Lei 6.404/76, art. 265⁵), o grupo empresarial – de fato e de direito – composto pelas Requerentes aglutina pessoas jurídicas independentes, com personalidade jurídica e patrimônio próprios, contudo, economicamente unidas, mediante controle ou direção unitários.

32. No caso do Grupo Tucano, todos os requisitos legislativos, doutrinários e jurisprudenciais são atingidos no sentido de se constatar fortemente a presença de um grupo empresarial sob controle societário comum⁶. Veja-se:

⁵ Art. 265. A sociedade controladora e suas controladas podem constituir, nos termos deste Capítulo, grupo de sociedades, mediante convenção pela qual se obriguem a combinar recursos ou esforços para a realização dos respectivos objetos, ou a participar de atividades ou empreendimentos comuns.

⁶ Neste sentido, veja-se recente decisão proferida pelo d. juízo da 5ª Vara Empresarial desta Comarca, nos autos da Recuperação Judicial n.º 0200853-85.2021.8.19.0001: “(...) No que tange à tese de litisconsórcio ativo, esta afigura-se plausível, diante da argumentação no sentido de que as sociedades, embora juridicamente independentes, com patrimônio e personalidade próprios, têm interligação econômica e operacional, o que se depreende, a princípio, dos documentos que instruem a inicial. Quanto à possibilidade de processamento de Recuperação Judicial de duas ou mais empresas em litisconsórcio ativo, embora a LRF silencie a respeito, a jurisprudência já tratou de dirimir a questão.

33. As Requerentes atuam de forma conjugada e complementar, sob um mesmo comando. Compartilham, ainda, todo o corpo administrativo (jurídico, financeiro, gerencial, técnico etc.).

34. As Requerentes possuem intrínseca ligação econômica, dada a forte relação operacional e financeira entre elas. Afinal, Beadell 1 e Beadell 2 são veículos de investimento voltados exclusivamente para deter as quotas da Mina Tucano e capitalizar o Grupo Tucano, através de aportes *intercompanys* e a posterior conversão em ações na Mina Tucano (Doc. 11 - que será anexado em sigilo).

35. As Requerentes possuem dívidas interligadas/compartilhadas decorrentes de operações tomadas para fomentar as atividades do Grupo Tucano. Cite-se a título de exemplo, o aporte de recursos feito pela Beadell 1 na Mina Tucano que foi posteriormente capitalizado.

36. Assim, é possível verificar a interligação societária, jurídica, econômica e operacional entre as Requerentes decorrente, em especial, da interdependência e complementaridade das atividades que realizam.

Não há impedimento à formação do litisconsórcio ativo em se tratando de empresas que integrem um mesmo grupo econômico (de fato ou de direito), inexistindo violação à sistemática da Lei nº 11.101/2005. Além do mais, a medida atende ao princípio basilar da Preservação da Empresa. A consolidação das recuperações de um grupo de sociedades em um só processo, não significa desrespeito às especificidades e personalidades jurídicas de cada uma das sociedades, isoladamente consideradas, tampouco, que tal procedimento abarcará um concurso de credores submetidos a um plano de recuperação judicial unificado para todas as sociedades do grupo. Na realidade, a formalização ou não de plano unificado é uma questão a ser enfrentada em momento oportuno, não agora, nesta fase inicial do processo.

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37. Em cenários como este que se revela imperiosa a formação do litisconsórcio ativo, de modo a assegurar a manutenção da atividade empresarial, conforme doutrina⁷:

“A formação do litisconsórcio ativo na recuperação judicial,... é possível, em se tratando de empresas que integrem um mesmo grupo econômico (de fato ou de direito). Nesse caso, mesmo havendo empresas do grupo com operações concentradas em foros diversos, o conceito ampliado de ‘empresa’ (que deve refletir o atual estágio do capitalismo abrangendo o ‘grupo econômico’), para os fins da Lei n° 11.101/2005, permite estabelecer a competência do foro do local em que se situa a principal unidade (estabelecimento) do grupo de sociedades. O litisconsórcio ativo, formado pelas empresas que integram o grupo econômico, não viola a sistemática da Lei n° 11.101/2005 e atende ao Princípio basilar da Preservação da Empresa.”

38. Logo, as Requerentes compõem grupo empresarial de direito e de fato (como ocorre comumente no país) formado por sociedades juridicamente independentes, com patrimônio e personalidade jurídica próprios, mas com interligação societária, jurídica, econômica e operacional decorrente da interdependência e complementaridade de atividades.

39. Portanto, presentes os requisitos necessários à configuração de litisconsórcio ativo, e, conseqüentemente, da consolidação processual, requer o Grupo Tucano que este pedido de Recuperação Judicial seja recebido e processado na forma do artigo 69-G, da LRF.

⁷ COSTA, Ricardo Brito. Recuperação judicial: é possível o litisconsórcio ativo - In: Revista do Advogado - Recuperação Judicial: temas polêmicos. Ano XXIX. n° 105. São Paulo: AASP. Setembro de 2009

**III. COMPETÊNCIA DO DOUTO JUÍZO DA CAPITAL –
PRINCIPAL ESTABELECIMENTO DAS REQUERENTES (LRF,
Art. 3º)**

40. A LRF fixou em seu artigo 3º como critério para definição da competência jurisdicional da crise empresarial o juízo do local do “*principal estabelecimento do devedor*”, expressão que conduz a pontos controvertidos e interpretações casuísticas.

41. A doutrina⁸ conceitua principal estabelecimento como “*aquele no qual o comerciante tem a sede administrativa de seus negócios, no qual é feita a contabilidade geral, onde estão os livros exigidos pela lei, local de onde partem as ordens que mantêm a empresa em ordem e funcionamento, mesmo que o documento de registro da empresa indique que a sede fique em outro local*”.

42. O local no qual a empresa é administrada, de onde emanam as principais decisões estratégicas, financeiras e operacionais da sociedade, portanto, é o critério mais importante para definição do principal estabelecimento do devedor.

43. No caso em questão, o principal estabelecimento das Requerentes é a sua sede administrativa na Capital do Rio de Janeiro. E isso remonta desde as origens da Mina Tucano.

⁸ VALVERDE, Trajano de Miranda. Comentários à Lei de Falências. 4. ed. Rio de Janeiro: Forense, 1999, vol. 3. IN BEZERRA FILHO, Manoel Justino. Lei de recuperação de empresas e falência: Lei 11.101/2005: comentado artigo por artigo / Manoel Justino Bezerra Filho; Eronides A. Rodrigues dos Santos, coautoria especial. - 15. ed. rev., atual. e ampl. - São Paulo: Thomson Reuters Brasil, 2021. p. 88.

44. Foi no Rio de Janeiro que a empresa teve início, em 2003, com a constituição da sociedade com o intuito de investir em atividade mineradora.

45. É no Rio de Janeiro que a gestão e atividade administrativa estão concentradas, onde fica a diretoria administrativa (representada pelo Diretor Geral, o Sr. Júlio Cesar Cunha Carneiro, que também reside no Rio de Janeiro).

46. Também em sua sede administrativa que estão acomodados o departamento financeiro, controladoria e a tesouraria (Doc. 9). As diretrizes do Grupo Tucano, portanto, são tomadas do seu “cérebro empresarial”, ou seja, do Rio de Janeiro.

47. Ademais, o Rio de Janeiro é o domicílio fiscal da Mina Tucano, conforme Relatório de Situação Fiscal emitido pela Secretária Especial da Receita Federal do Brasil (Doc. 14).

48. Mas não é só. O contrato social da Mina Tucano foi celebrado no Rio de Janeiro e estabelece como foro de eleição a Cidade e o Estado do Rio de Janeiro para dirimir quaisquer controvérsias relacionadas ao Contrato Social (Doc. 2).

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49. Com efeito, a jurisprudência⁹ definiu que o conceito de principal estabelecimento é orientado pelo local onde emanam as decisões da empresa, ou seja, a sua sede administrativa:

“Recuperação Judicial – Competência para o processamento - Principal estabelecimento - Local de onde emanam as principais decisões estratégicas, financeiras e operacionais da sociedade - Competência do foro da Comarca de Mogi das Cruzes - Agravo provido” (TJSP, Agravo de Instrumento 2249580-54.2018.8.26.0000; Des. Rel. Fortes Barbosa; 1ª Câmara Reservada de Direito Empresarial, dje. 30/01/2019).

“Recuperação Judicial – Decisão de deferimento do processamento – Tempestividade dos embargos declaratórios opostos na origem - Competência para o processamento – Principais estabelecimentos das recuperandas – Local de onde emanam as principais decisões – (...)” (TJSP, Agravo de Instrumento 2101203-10.2019.8.26.0000; Des. Rel. Fortes Barbosa; 1ª Câmara Reservada de Direito Empresarial, dje. 16/07/2019)

“AGRAVO DE INSTRUMENTO. RECUPERAÇÃO JUDICIAL. (...) Necessidade de aferição de onde se localiza o principal estabelecimento do grupo econômico que

⁹ No mesmo sentido: “RECURSO DE AGRAVO DE INSTRUMENTO – (...) INCIDENTE OFERTADO EM AÇÃO DE RECUPERAÇÃO JUDICIAL – FORO COMPETENTE – LOCAL EM QUE SITUADO O PRINCIPAL ESTABELECIMENTO MERCANTIL DA EMPRESA RECUPERANDA – SEDE ADMINISTRATIVA DE NEGÓCIOS – ART. 3º DA LEI Nº 11.101/2005 – DECISÃO MANTIDA – RECURSO IMPROVIDO. (...) A teor do artigo 3º da Lei nº 11.101/2005 o foro competente para processar e julgar ação de recuperação judicial é o do local onde a empresa centraliza seus negócios de gestão operacional e administrativa, bem como, residem os seus sócios, ainda que o contrato social ou a declaração de firma individual expressem o contrário.” (TJMT, AI 34177/2014, Des. Rel. Cleuci Terezinha Chagas Pereira Da Silva, 5ª Câmara Cível, dje. 18/07/2014)

“EMENTA CONFLITO NEGATIVO DE COMPETÊNCIA – RECUPERAÇÃO JUDICIAL – COMPETÊNCIA PARA O PROCESSAMENTO DO PEDIDO - PRINCIPAL ESTABELECIMENTO – ARTIGO 3º DA LEI 11.101/2005 - CONFLITO PROCEDENTE. Para efeito de aferição de onde se localiza o principal estabelecimento do grupo econômico que pleiteou a recuperação, nos termos do Art. 3º da Lei nº 11.101/05, necessário aferir em qual juízo emanam suas principais decisões estratégicas, financeiras e operacionais do grupo em Recuperação Judicial. Caso específico que, apesar da exploração da atividade agrícola dos empresários estar vinculada às Fazendas situadas no Município de Novo São Joaquim, o centro operacional das principais atividades do negócio do grupo está vinculado à sede administrativa no Município de Primavera do Leste no qual, inclusive, atuam os principais credores dos devedores.” (TJMT, CC 10065918020208110000, Des. Rel. Guiomar Teodoro Borges, 2ª Turma de Câmaras Cíveis Reunidas de Direito Privado, dje. 09/06/2020)

pleiteou a recuperação. Art. 3º da Lei n.º 11.101/05. **A despeito de a produção empresarial se dar em Itaí/SP, é de Piracicaba/SP que emanam as principais decisões estratégicas, financeiras e operacionais da sociedade, visto que, além da localização da sede administrativa das empresas, os produtores rurais e administradores das sociedades empresárias integrantes do grupo têm aí o seu domicílio.** DECISÃO MANTIDA. RECURSO DESPROVIDO.” (TJSP, AI 2106335-48.2019.8.26.0000, Des. Rel. Azuma Nishi, 1ª Câmara Reservada de Direito Empresarial, dje. 13/06/2019)

“PEDIDO DE RECUPERAÇÃO JUDICIAL Competência para o processamento do pedido de recuperação judicial **Competência do foro do local onde está situado o centro decisório da empresa** Exegese do art. 3º da Lei nº 11.105/05 Precedentes do STJ e do TJSP **Principal estabelecimento correspondente ao local de onde emanam as principais decisões estratégicas, financeiras e operacionais da empresa (...)** Irrelevância da sede estatutária estar situada em outra cidade (...) AGRADO DESPROVIDO.” (TJSP, Agravo de Instrumento 0124191-69.2013.8.26.0000, Des. Rel. Alexandre Marcondes, 1ª Câmara Reservada de Direito Empresarial, dje. 05/12/2013)

50. Logo, embora o Grupo Tucano também possua atividades de exploração no Amapá, é da cidade do Rio de Janeiro emanam todas as decisões de gestão das empresas, definindo, por exemplo, quais projetos serão executados, quem será ou não contratado e quais negociações serão concluídas, sendo, portanto, seu principal estabelecimento.

51. Em caso análogo (envolvendo mineradora), o E. Tribunal de Justiça de São Paulo declarou competente o foro da sede administrativa da empresa para processar a recuperação judicial. Veja-se:

“Agravo de instrumento. Falência. **Foro competente. Principal estabelecimento**, nos termos do artigo 3º da Lei

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11.101/05. Local da sede que parece ser mesmo o **centro decisório da sociedade**. Manutenção do feito no foro da sede contratual. Decisão reformada. Recurso provido.” (TJSP, Agravo de Instrumento 2044499-16.2015.8.26.0000, Des. Rel. Claudio Godoy, 1ª Câmara Reservada de Direito Empresarial, dje. 29/03/2015).

Trecho de destaque: “

*No caso concreto, consta que **a sede da agravada está situada nessa Comarca [São Paulo] desde novembro de 2013. De mais a mais, tudo indica que não só a sede contratual esteja situada em São Paulo, mas também a sede administrativa, isto é, o centro decisório da sociedade.** (...)”*

52. Diante desses fatores, é nesta Comarca que se situa o local certamente mais importante das devedoras, de onde emanam as principais decisões estratégicas financeiras e operacionais das Requerentes, o que certamente o faz o **PRINCIPAL ESTABELECIMENTO** das Requerentes de que menciona o art. 3º da LRF.

53. Esta é, inclusive, a exata posição desse E. Tribunal:

“Trata-se de pedido de recuperação judicial, com base nos artigos 47 e seguintes da Lei 11.101/05 (...) Eis o relatório. EXAMINO E DECIDO. **Fixo, desde logo, a competência deste Juízo empresarial para processar o presente pedido de Recuperação Judicial , uma vez que o principal estabelecimento - assim entendido como aquele em que se encontra o centro de tomada das principais decisões econômicas e administrativas da empresa -- está situado na cidade do Rio de Janeiro (...)**”. (Processo: 0023386-56.2020.8.19.0001, Autor: HOPE RECURSOS HUMANOS EIRELI, Juíza: Maria Cristina de Brito Lima, Decisão: 04.02.2020, 6ª Vara Empresarial do TJRJ) – grifos nossos.

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“AGRAVO DE INSTRUMENTO. (...) NO MÉRITO, OBSERVÂNCIA DO ART. 3º DA LEI N.º 11.101/2005, QUE DISPÕE SOBRE A COMPETÊNCIA PARA HOMOLOGAÇÃO E DEFERIMENTO DO PROCEDIMENTO CONCURSAL. CONCEITO DE “PRINCIPAL ESTABELECIMENTO DO DEVEDOR” CRITÉRIO ECONÔMICO. PROVA DOCUMENTAL PRÉ-CONSTITUÍDA, QUE DEIXA CLARO SER ESTAR NO CENTRO DA CIDADE DO RIO DE JANEIRO O EIXO DE ADMINISTRAÇÃO DOS NEGÓCIOS DO GRUPO OSX. COMPETÊNCIA DO JUÍZO DE DIREITO DA COMARCA DE SÃO JOÃO DA BARRA/RJ, QUE, SE DECLARADA, ARRASTARIA O PRÓPRIO FORO. INSTITUTO DA CONEXÃO (ART. 103 DO C.P.C.). RECUPERAÇÃO JUDICIAL DE CONGLOMERADOS ECONÔMICOS DISTINTOS, COM QUADROS SOCIETÁRIOS E ATIVIDADES PRÓPRIOS, ATIVO E DÍVIDAS DIVERSIFICADOS. (...) Ora... Após o exame das cópias da petição inicial e dos documentos que a instruíram, incluídas no instrumento de agravo pela recorrente, conclui-se que o local onde o GRUPO OSX mantém o núcleo de administração de seus negócios é o Município do Rio de Janeiro, de sorte que a competência para o processamento da recuperação judicial é, com exclusividade, dos Juízos das Varas Empresarias da Comarca da Capital, e não do Juízo de Direito da Comarca de São João da Barra/RJ (onde existe apenas um porto), segundo sustenta a recorrente. (TJRJ, 14ª Câmara Cível, AI nº 0064637-04.2013.8.19.0000, Rel. Des. GILBERTO CAMPISTA GUARINO, julgado em 19.02.2014) – grifos nossos.

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54. Paes de Almeida¹⁰ ratifica que a expressão “*principal estabelecimento*” se refere ao local onde o devedor dirige, comanda e administra seus negócios – a sede da administração – no que complementa Miranda Valverde¹¹:

“(…) aquele no qual o comerciante tem a sede administrativa de seus negócios, no qual é feita a contabilidade geral, onde estão os livros exigidos pela lei, local onde partem as ordens que mantêm a empresa em ordem e funcionamento, mesmo que o documento do registro da empresa indique que a sede fique em outro local.”

55. Nesse sentido, Ricardo Negrão¹² ilustra que:

“(…) prevaleceu, portanto, no novo ordenamento, o princípio absoluto da fixação da competência pelo local onde o empresário possuir seu principal estabelecimento, **assim compreendido como o ponto central dos negócios, de onde partem todas as ordens, que imprimem e regularizam o movimento econômico dos estabelecimentos produtores.**”

56. Igualmente a esse respeito, ensina o professor Waldo Fazzio Júnior¹³:

“Podemos concluir, portanto, que estabelecimento principal, para os efeitos do art. 3º da LRE, não é aquele que os estatutos da sociedade conferem o título de principal, mas o que forma concretamente o centro vital das principais atividades

¹⁰ ALMEIDA, Amador Paes de. **Curso de Falência e Recuperação de Empresas**. 27ª Ed. São Paulo: Saraiva, 2006.

¹¹ VALVERDE, Miranda. **Comentários à Lei de Falências**. Citado pelo Min. Nelson Hungria. 2002

¹² NEGRÃO, Ricardo. **Aspectos objetivos da lei de recuperação de empresa e de falências: Lei n. 11.101/05**. 2ª ed.— São Paulo: Saraiva, 2008.

¹³ FAZZIO JÚNIOR, Waldo. **Lei de Falências e Recuperação de Empresas**. 4ª ed. São Paulo: Atlas, 2008

profissionais do agente econômico, o núcleo de seus negócios, onde se densifica a empresa. **Assim, o principal estabelecimento é o centro de operações negociais, sem que, por isso, seja o centro de seus principais interesses.**” (FAZZIO JÚNIOR, 2008, p.51)

57. Fosse “apenas” pela jurisprudência e doutrina não haveria dúvidas da competência desta Comarca para processar e julgar a presente recuperação judicial. No entanto, há outros aspectos fáticos que atraem a competência desta Comarca.

58. No aspecto da localidade dos credores, note-se que apesar de os credores estarem pulverizados em diversos locais, o Rio de Janeiro concentra significativo número desses credores, sendo que a grande maioria está localizada no Sudeste (Rio de Janeiro, São Paulo, Belo Horizonte, Barueri, Contagem; Santana e Diadema):

Total Fornecedores - Quirografários		
Cidade	Qnt. Fornecedores	% Total
SAO PAULO	18	15%
BELO HORIZONTE	12	10%
RIO DE JANEIRO	9	7%
MACAPA	9	7%
BARUERI	6	5%
ESTRANGEIRO	4	3%
CONTAGEM	4	3%
NOVA LIMA	2	2%
SANTANA	2	2%
DIADEMA	2	2%
VESPASIANO	2	2%
PEDRA BRANCA DO AMAPARI	2	2%
BRASILIA	2	2%
Outras Cidades	47	39%
Total Fornecedores	121	100%

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59. Assim, destaca-se que, para além de ser possuir varas especializadas em direito empresarial, o reconhecimento da competência desse d. Juízo para processar a presente recuperação judicial não causará qualquer prejuízo de acesso aos credores, já que o processo é eletrônico.

60. Ademais, tornou-se comum a realização de Assembleias-Gerais de Credores (“AGC”) virtuais ou híbridas, o que possibilita a ampla participação de todos os credores, independentemente do local em que tramita a recuperação judicial. Essa modalidade poderá ser adotada neste caso, se necessário.

61. Por fim, o art. 22, I, “k” e “l” da LRF¹⁴ determina que o Administrador Judicial deverá manter endereço eletrônico na internet com as informações atualizadas do processo, além de disponibilizar endereço eletrônico específico para os credores apresentarem habilitações/divergências e entrarem em contato.

62. Pelo exposto, a competência para processar e julgar a presente Recuperação Judicial é de um dos Juízos das Varas Empresariais da Comarca da Capital do Estado do Rio de Janeiro, seguindo interpretações clássicas e contemporâneas do Artigo 3º da Lei 11.101/2005.

¹⁴ Art. 22. Ao administrador judicial compete, sob a fiscalização do juiz e do Comitê, além de outros deveres que esta Lei lhe impõe: I – na recuperação judicial e na falência: k) manter endereço eletrônico na internet, com informações atualizadas sobre os processos de falência e de recuperação judicial, com a opção de consulta às peças principais do processo, salvo decisão judicial em sentido contrário; l) manter endereço eletrônico específico para o recebimento de pedidos de habilitação ou a apresentação de divergências, ambos em âmbito administrativo, com modelos que poderão ser utilizados pelos credores, salvo decisão judicial em sentido contrário.

IV. INSOLVÊNCIA TRANSNACIONAL: OBSERVÂNCIA DO PRINCIPAL ESTABELECIMENTO DAS REQUERENTES E DO CENTRO DE INTERESSES DA DEVEDORA PARA O RECONHECIMENTO DO FORO DESTA RECUPERAÇÃO JUDICIAL

63. A Lei nº 14.112/2020, a fim de atender a evolução da matéria de insolvência transnacional no Brasil – onde se tem um número crescente de casos envolvendo sociedades, ativos ou credores estrangeiros – incorporou a Lei modelo da UNCITRAL (*United Nations Commission on International Trade Law*), órgão da ONU (Organização das Nações Unidas) responsável pela harmonização das regras de comércio internacional¹⁵.

64. A edição desta Lei modelo destina-se ao tratamento das insolvências transnacionais, trazendo mecanismos processuais para os casos envolvendo devedores que possuam ativos ou passivos em países variados, buscando a cooperação entre as jurisdições. Como ocorre neste caso.

65. A mencionada Lei modelo da UNCITRAL atualmente é adotada por mais de 50 (cinquenta) países; possui como primazia o respeito à soberania de cada país, o que foi adotado pela Lei nº 14.112/2020 e trouxe importantes determinações, tais como (i) a cooperação entre as autoridades e representantes brasileiros; (ii) a coordenação entre processos concorrentes e (iii) a competência para o reconhecimento do processo estrangeiro¹⁶.

¹⁵ <https://uncitral.un.org/en/about> - acesso em 31/08/2022.

¹⁶ CAMPANA FILHO, Paulo Fernando. A Questão da Competência para Reconhecer Insolvências Estrangeiras. Questões Relativas à Competência Jurisdicional para Reconhecimento de Processos Estrangeiros de Insolvência. p. 1213-1214.

66. Adotando este modelo, os processos podem ser reconhecidos como principais ou residuais, a depender da presença do centro dos principais interesses ou do estabelecimento do devedor.

67. Em relação ao tratamento a ser concedido para as empresas transnacionais, o artigo 167, I da LRF positivou a competência do processo de recuperação judicial como sendo aquele onde se localiza o centro dos principais interesses do devedor – no qual, nesta hipótese, trata-se do Estado do Rio de Janeiro.

“Art. 167-I: Independentemente de outras medidas, o juiz poderá reconhecer: III - o país onde se localiza o domicílio do devedor, no caso dos empresários individuais, ou o país da sede estatutária do devedor, no caso das sociedades, como seu centro de interesses principais, salvo prova em contrário”

68. Por outro lado, pode-se existir também processos residuais – não principais – em outras jurisdições que se encontrem bens ou credores deste mesmo devedor¹⁷.

69. Como se sabe, a insolvência transnacional pode adotar os seguintes modelos: (i) sistema territorialista, pelo qual o Tribunal de cada país possui a competência para decidir sobre os bens do devedor em seu território; (ii) sistema universalista, pelo qual são estendidos os efeitos do processo de insolvência para outros países em que o devedor possua bens; e o (iii) **sistema misto**, pelo qual existe um procedimento principal na sede do devedor e procedimentos secundários nos países em que existam bens do devedor.

¹⁷ A Mina Tucano ingressará com processo auxiliar /secundário em Nova Iorque para, dentre outros, reconhecer a competência da jurisdição brasileira, em especial desta Comarca, para processar a Recuperação Judicial deste grupo empresarial.

70. Antes da Lei nº 14.112/2020, o Brasil adotava o sistema territorialista, consagrado no disposto no art. 3º da LRF.

71. Contudo, após a inclusão do capítulo referente à insolvência transnacional no ordenamento jurídico brasileiro, passou-se a adotar o sistema misto, pelo qual elege-se um procedimento principal na sede do devedor e outros secundários nos países em que existam bens ou credores.

72. O Art. 167-I da LRF, ao utilizar o termo “*centro de interesses principais*” adotou o que é estabelecido pela Lei Modelo da UNCITRAL, onde se ratifica que o local em que a empresa tem o seu **principal estabelecimento** – denominado pela lei modelo como o COMI (*Centre of Main Interests*) – terá que ser reconhecido como o foro do processo principal de soerguimento¹⁸.

73. Embora tenham sede formal na Austrália, as Requerentes Beadell 1 e Beadell 2 não são sociedades operacionais, mas apenas “veículos” para deter as ações e permitir o financiamento da Mina Tucano necessários às atividades do Grupo Tucano, a qual é exclusivamente desenvolvida em território brasileiro.

74. O único ativo das Requerentes Beadell 1 e Beadell 2 são as quotas da sociedade Requerente Mina Tucano, sediada nesta Comarca, o que torna inquestionável constatação de que é no Rio de Janeiro onde se encontra o *centro de interesses principais* das Requerentes, bem como onde se tem o principal estabelecimento do Grupo Tucano.

¹⁸ Pela Lei Modelo da UNCITRAL, o centro de principal interesse do devedor corresponde a “ao local onde o devedor exerce habitualmente a administração dos seus interesses de forma habitual e cognoscível por terceiros”.

75. No mesmo passo, o passivo de Beadell 1 e da Beadell 2 também está completamente relacionado à principal atividade do grupo, pois tem origem em contrato de compra e refino de ouro proveniente da Mina Tucano, que está garantido através de Contrato de Penhor e Quotas (“Contrato de Penhor”) da própria Mina Tucano.

76. Aliás, o referido Contrato de Penhor é mais um indicativo de que aqui se localiza o centro de principal interesse das Requerentes, pois: (i) determina que as obrigações devem ser cumpridas no Brasil; (ii) possui lastro em ativos situados no Brasil (quotas da Mina Tucano); (iii) estabelece a sua regência pela legislação brasileira; e (iv) elege o Foro da Comarca do Rio de Janeiro para dirimir litígios:

27 Governing law and jurisdiction. This Quota Pledge Agreement shall be governed by and construed for all purposes in accordance with the laws of the Federative Republic of Brazil, without regard to its provisions on the conflicts of laws. Any disputes arising out of this Quota Pledge Agreement will be settled by the central courts of the City of Rio de Janeiro, State of Rio de Janeiro.

28 Language. This Agreement is executed in the English and Portuguese languages. In case of a discrepancy, the Portuguese language version shall prevail.

29 Specific performance. For the purposes hereof, this Quota Pledge Agreement and any amendments hereto constitute an extra-judicial enforcement title (*titulo executivo extrajudicial*), as provided for under Article 783, Item III of the Brazilian Civil Procedure Code and the Pledgee may seek the specific performance of the

obligations undertaken herein by the Quotaholders, as provided for in Articles 497, 806 and 815 of the Brazilian Civil Procedure Code.

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77. Ademais, o art. 21, II, do CPC estabelece que a autoridade judiciária brasileira é competente para as ações em que: “no Brasil tiver que ser cumprida a obrigação.”

78. Ao mesmo tempo, a Lei de Introdução às normas do Direito brasileiro (“LINDB”) dispõe que o critério para determinar a legislação aplicável é o local onde aquele que tem a posse se encontra¹⁹, no que é acompanhado pela doutrina²⁰²¹²² e jurisprudência²³.

¹⁹ Art. 8º Para qualificar os bens e regular as relações a eles concernentes, aplicar-se-á a lei do país em que estiverem situados.

(...)

§ 2º O penhor regula-se pela lei do domicílio que tiver a pessoa, em cuja posse se encontre a coisa apenhada.

Art. 12. É competente a autoridade judiciária brasileira, quando for o réu domiciliado no Brasil ou aqui tiver de ser cumprida a obrigação.

²⁰ “A mecânica do conflito da lei no caso do penhor, então, inicia-se pela qualificação do instituto, que, pelo caput do art. 8º, será feita pela lei da situação da coisa, podendo ser classificado em penhor ordinário (a posse direta do bem é transferida ao credor, denominado credor pignoratício) ou ainda em penhor extraordinário, com cláusula constituti (as coisas dadas em penhor continuam em posse direta do devedor, como ocorre no penhor rural – agrícola ou pecuário – do Código Civil brasileiro). Posteriormente, utiliza-se a lei do domicílio do possuidor direto, que pode ser tanto o credor quanto o devedor, a depender da espécie de penhor. Ponto importante para o regime jurídico do penhor é a proibição ao credor de se apropriar da coisa apenhada, prevista no Código Civil brasileiro (art. 1428). Esse dispositivo é considerado por Tenório de qualidade de ordem pública, o que impediria a aplicação da lei estrangeira que possibilitasse tal apropriação.” RAMOS, André de C. Curso de Direito Internacional privado. (2nd edição). Editora Saraiva, 2021. Pg. 168.

²¹ “O art. 12, caput, da Lei de Introdução às Normas do Direito brasileiro reflete justamente a regra geral sobre competência internacional para litígios envolvendo réu domiciliado no Brasil e obrigações exequíveis em território nacional. A aplicação da norma justifica-se ainda pela regra contida nos arts. 21 e 22 do CPC, que endereça a competência internacional concorrente do juiz nacional.” MARISTELA, Basso B. Curso de Direito Internacional Privado. (6th edição). Grupo GEN, 2019. Pg. 258.

²² “Reproduzindo regra que já constava do art. 12, caput, da Lei de Introdução às Normas do Direito Brasileiro, o inciso II do art. 21 do Código de Processo Civil dispõe que é competente a autoridade judiciária brasileira quando aqui for o lugar do cumprimento da obrigação. **Também no Regulamento nº 1215/2012 existem dois juízos competentes no plano internacional (além de eventual foro de eleição) para demandas relativas à matéria contratual: o foro do domicílio do réu (art. 4º) ou o foro do local onde a obrigação que serve de fundamento ao pedido foi ou deveria ser cumprida (art. 7º).**” Dolinger, Jacob, e Carmem Tiburcio. Direito Internacional Privado. (15th edição). Grupo GEN, 2019. Pg. 564.

²³ Em julgado recente, o C. STJ considerou competente a justiça brasileira para execução de garantia de penhor de cotas, considerando que, ainda que o contrato de mútuo principal tivesse foro estrangeiro, o instrumento da garantia elegeu foro nacional. Além disso, o fato da obrigação ser exequível apenas no Brasil não permitiria interpretação diversa da que o foro competente é o da justiça brasileira, conforme STJ - REsp: 1680016 SP 2017/0146750-7, Relator: Ministro MOURA RIBEIRO, Data de Julgamento: 28/09/2021, T3 - TERCEIRA TURMA, Data de Publicação: DJe 14/10/2021.

79. Desta forma, tem-se como pedra fundamental estas sociedades estrangeiras no processo de reestruturação do grupo nesta Comarca, já que o seu único ativo são justamente as quotas da Mina Tucano, que estão gravadas com penhor em favor de um dos maiores credores desta recuperação judicial e que devem ser protegidas contra a execução do penhor.

80. Com efeito, apesar de sediadas na Austrália, aqui funciona o principal estabelecimento Beadell 1 e Beadell 2, o que atrai a proteção da recuperação judicial brasileira para proteger o seu único ativo e viabilizar a própria atividade empresarial da Mina.

81. Este, inclusive, foi o entendimento da E. Oitava Câmara Cível desse Tribunal ao julgar o agravo de instrumento nº 0051668-49.2016.8.19.0000, oportunidade em que Desembargador Relator Cezar Augusto Rodrigues Costa consignou que *“identificar o centro de interesses principais do grupo econômico em recuperação é fundamental para a determinação da jurisdição que tratará da matéria com abrangência internacional.”*.

82. Assim, concluiu que *“a aplicação do sistema jurídico de recuperação brasileiro é cabível e necessário para auxiliar a superação da crise econômico financeira das devedoras, sejam elas nacionais ou estrangeiras, ainda que não tenham filial neste território.”*. Confira-se a íntegra da ementa:

“AGRAVO DE INSTRUMENTO. DIREITO EMPRESARIAL. SOCIEDADES ESTRANGEIRAS CONSTITUÍDAS NA HOLANDA E INCLUÍDAS NA RECUPERAÇÃO JUDICIAL DO GRUPO OI.

CENTRO DE INTERESSES PRINCIPAIS DO GRUPO ECONÔMICO. TERRITÓRIO NACIONAL. COMPETÊNCIA DA JUSTIÇA BRASILEIRA. Decisão de deferimento da recuperação judicial da Portugal Telecom International Finance B.V. (“PTIF”) e da Oi Brasil Holding Coöperatief U.A. (“Coop”/“FinCo”) no âmbito recuperacional do Grupo Oi. Sociedades estrangeiras constituídas na Holanda, onde foi decretada a falência das empresas. Interpretação princípio lógica dos artigos 3º e 47 da Lei 11.101/2005. **O Brasil é o centro de interesses principais do grupo econômico em recuperação. Fundamento para fixação da jurisdição brasileira. Precedentes jurisprudenciais que confirmam a recuperação de empresas estrangeiras tendo como critério de determinação de competência o centro principal de atividade do grupo.** Não obstante a decretação de falência na Holanda o mecanismo jurídico adotado no Brasil para a PTIF e a FinCo, que tem como norte a manutenção da unidade produtiva é a solução apropriada para a solução dos problemas decorrentes de fato transnacional. Recurso PARCIALMENTE CONHECIDO e nessa parte DESPROVIDO.” (TJRJ, Agravo de Instrumento nº 0051668-49.2016.8.19.0000, Oitava Câmara Cível, Des. Rel. Cezar Augusto Rodrigues Costa, dje. 31.10.2017)

83. Nesta esteira, a E. 22ª Câmara Cível desse E. Tribunal, por unanimidade, deu provimento ao agravo (nº 0034120-11.2016.8.19.0000) para determinar a *“inclusão das sociedades estrangeiras no processo de recuperação judicial de origem”*.

84. Este v. acórdão assentou que as sociedades *“estrangeiras integram o mesmo grupo econômico da SETE BRASIL, sendo que o principal estabelecimento do grupo, deve ser considerado como o centro principal da atividade que é desenvolvida no Brasil, especificamente, nesta cidade do Rio de Janeiro, de modo que, a jurisdição brasileira é competente, também, para processar a recuperação das empresas estrangeiras vinculadas.”*

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85. Na mesma linha, E. o Tribunal de Justiça do Estado de São Paulo deferiu a recuperação judicial da OAS (proc. nº 1030812-77.2015.8.26.0100) sob o argumento de que *“nada impede que empresas constituídas no exterior, mas que tenham no Brasil o centro principal de suas atividades (COMI – Center of Main Interest) (...) requeiram perante a Justiça brasileira a tutela legal prevista no Lei 11.101/05”*.

86. O professor Marcelo Barbosa Sacramone leciona também que:

“o centro de interesses principais deve corresponder ao local onde o devedor conduz a administração dos seus interesses de forma regular e reconhecida por terceiros. Por essa definição, como o processo de insolvência principal tenderia a ter um escopo universal, de afetar todos os credores e sujeitar todos os ativos do devedor, pressupõe-se que os credores conheceriam referido centro. A justificativa para tanto é que o reconhecimento por terceiros é imprescindível para que sejam calculados e antecipados não apenas o risco de insolvência do devedor, mas os custos e benefícios de um consequente procedimento principal em determinada jurisdição.”²⁴

87. De acordo com os reiterados julgados e a doutrina especializada, a observância do local onde se tem o centro dos interesses principais das sociedades empresárias – com presunção relativa de que ele está localizado no País e no Estado da principal sede da empresa devedora²⁵ – tem como escopo distinguir onde será a competência do processo principal de recuperação judicial.

²⁴ SACRAMONE, Marcelo Barbosa. Comentários à Lei de Recuperação de empresas e falência, 2ª ed. São Paulo: Saraiva Educação, 2021, p. 639.

²⁵ SATIRO, Francisco e BECUE, Sabrina Maria Fadel. A Adoção da Lei Modelo UNCITRAL e os graus de cooperação internacional: Processo estrangeiro principal, processo estrangeiro não principal e processos concorrentes.

88. Assim, no presente caso, não restam dúvidas de que a competência para processar a presente recuperação judicial é onde se localiza o *centro de interesses principais* do Grupo Tucano, ou seja, no Estado do Rio de Janeiro, vez que **é o local da sede administrativa das Requerentes.**

89. Diante todo o exposto, para que se consiga uma melhor coordenação entre jurisdições distintas, é imperioso que esse D. Juízo reconheça a Comarca do Rio de Janeiro como sendo o *centro de interesses principais* dos Requerentes.

90. Por conseguinte, impositivo que este MM. Juízo defira o regular processamento desta recuperação judicial.

V. RAZÕES DA CRISE ECONÔMICO-FINANCEIRA **(LRF, art. 51, I)**

91. Em atenção ao art. 51 da LRF, as Requerentes esclarecem que a sua **crise econômico-financeira** decorre de 4 (quatro) fontes principais: (i) problemas geotécnicos na cava Urucum Centro-Sul da Mina Tucano ("UCS"); (ii) pressão inflacionária em 2022; (iii) chuvas acima do normal que aceleraram custos e despesas de capital; e (iv) atraso na disponibilização e mobilização de equipamentos pelos principais fornecedores.

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92. USC. Em outubro de 2019 a empresa foi obrigada a suspender a extração de minério da cava UCS, após detectar movimentação em uma das paredes da operação a céu aberto, ocasionando um retrocesso de aproximadamente 7 (sete) milhões de toneladas de material previsto em 2021.



93. Esse episódio demandou algumas medidas das Requerentes e acabou por modificar a programação de exploração da Mina e investimentos em obras de contenção, com vistas a evitar danos ambientais.

94. Não bastasse essa despesa extraordinária, as Requerentes precisaram substituir a exploração da UCS por outro poço, o que alterou a programação da Mina para explorar a cava TAP-AB1, uma cava que, posteriormente, não revelou a quantidade e qualidade de onças similares àquela esperada em UCS.

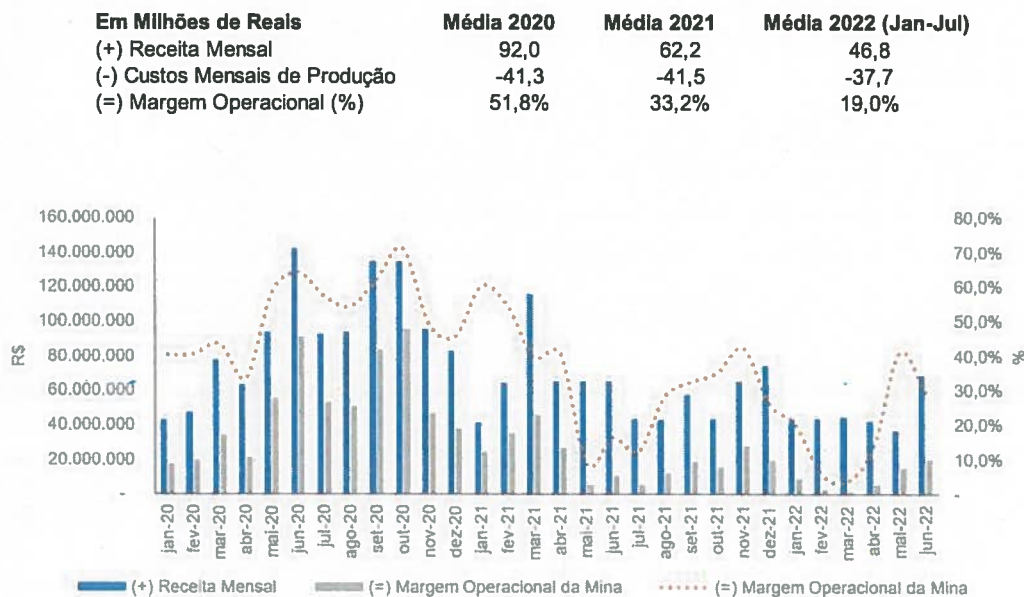
95. Esses investimentos na contenção da barreira de UCS e o retorno aquém do previsto dos demais poços resultou no esgotamento das reservas de caixa disponíveis para fazer frente a um cronograma pesado de retirada em 2022.

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96. Como resultado, as Requerentes aumentaram significativamente sua dívida em 2022 para financiar operações.

97. **Inflação.** As pressões inflacionárias em 2022 provocaram um aumento dos custos operacionais da Mina Tucano devido ao diesel mais caro, explosivos e outros consumíveis importantes no processo de produção de ouro.

98. Uma breve comparação com os últimos anos ilustra o impacto do aumento dos preços na considerável diminuição da margem operacional, como se percebe da tabela e gráfico abaixo:



99. A alta dos índices de inflação prejudicou a demanda por *commodities*²⁶.

²⁶<https://www.noticiasdeminerao.com/produ%C3%A7%C3%A3o/news/1397152/covid-19-afeta-produ%C3%A7%C3%A3o-de-ouro-da-great-panther-no-terceiro-trimestre>



100. Os efeitos das restrições comerciais e produtivas impostos pela interrupção das atividades econômicas durante a pandemia, ocasionaram a falta de equipamentos de mineração nos termos pactuados antes da crise, indisponibilidade de peças de reposição, além da alta do diesel e demais materiais de consumo importantes no processo de produção do ouro.²⁷

101. As sequelas são decorrentes das interrupções resultantes de (i) escassez de funcionários, (ii) indisponibilidade de contratados e subcontratados, (iii) interrupção de suprimentos e prestação de serviços de terceiros dos quais o Grupo Tucano depende, e (iv) restrições impostas pelos governos.

102. **Chuvas acima do normal** levaram à aceleração dos custos e despesas no projeto da barragem de rejeitos, bem como à aquisição de quatro evaporadores para gerenciar os altos níveis de água nas barragens de rejeitos.

²⁷ <https://valor.globo.com/empresas/noticia/2022/05/10/mineradoras-enfrentam-riscos-de-curto-prazo-mas-precos-das-commodities-vao-se-recuperar.ghml> - acesso em 05/09/2022.

103. Após a tentativa de retomada das atividades, em maio de 2021 foi constatada nova movimentação na parede oeste de UCS, atribuída ao alto índice de chuva na região, de forma que o Grupo Tucano teve que suspender novamente as suas atividades.

104. Para solucionar o problema, a Mina Tucano criou o Comitê de Revisão Geotécnica (“GRC”) composto por consultores geotécnicos, com ampla experiência geotécnica, o que possibilitou a retomada dos trabalhos na Mina em julho de 2021.

105. Buscando melhorar a segurança no perímetro, o comitê geotécnico do Grupo Tucano determinou a paralisação total da UCS para a instalação de drenos verticais no local, o que demandou altos investimentos em estrutura, protocolos de segurança que incluem monitoramento por radar para movimentação de paredes, prismas e pesquisas de drones, além da contratação de especialistas para estabilizar as fixuras da cava.

106. Contudo, em que pesem os esforços da Mina Tucano, houve, no terceiro trimestre de 2021, *“uma queda de 44% na comparação com o mesmo período de 2020”*, o que se deu em razão *“das chuvas mais altas do que a média.”* e dos movimentos na parede da cava da UCS²⁸, conforme consta em site especializado em mineração.

107. Ademais, como dito e reforçado nos sites de mineração, *“em setembro, foi detectado movimento na parede oeste do poço UCS e, para garantir a segurança dos trabalhadores de mineração, o trabalho foi suspenso por quatro dias até que as condições fossem*

²⁸ <https://www.brasilmineral.com.br/noticias/producao-de-ouro-e-menor-no-trimestre>

consideradas estáveis.”



108. As operações da UCS foram paralisadas novamente em setembro e outubro de 2021, para que fosse possível a remoção de aproximadamente 1,4 (um vírgula quatro) milhão de toneladas de "material residual" da parede oeste superior de UCS²⁹.

109. Em dezembro de 2021, a Mina Tucano contratou a SRK Canada como a principal consultora para continuar os estudos sobre o abalo nas paredes da UCS. Referido estudo foi concluído em junho de 2022, sendo que um novo design e modelagem da mina foi aprovado pelo comitê GRC, de forma que a produção retornou, mas em um ritmo mais lento.

110. Em que pese o retorno da produção, o Grupo Tucano sofreu prejuízos em 2021 e 2022, bem como o consumo do estoque para arcar com os custos decorrentes da paralização e das obras necessárias.

²⁹<https://www.noticiasdemineracao.com/seguran%C3%A7a/news/1413829/great-panther-retoma-minera%C3%A7%C3%A3o-em-cava-da-mina-de-ouro-tucano> – acesso em 30.08.2022.

111. **Falha de fornecedores.** A disponibilidade de equipamentos de mineração abaixo do previsto devido a atrasos na mobilização de empreiteiros contribuiu para o atraso na produção de ouro no final do segundo trimestre e parte do terceiro trimestre, reduzindo as receitas.

112. Isso impactou negativamente na produtividade, que foi menor do que o esperado devido a outros fatores externos, incluindo aumento do congestionamento dos poços devido a geometrias de mineração mais restritas e pequenas explosões necessárias para separar o minério e os resíduos nos sítios Urucum Norte e Urucum Sul³⁰.

113. Conforme divulgado na mídia especializada de mineração³¹, a Mina Tucano teve uma queda na sua produção decorrente de problemas com os seus fornecedores, o que acarretou na troca do principal fornecedor de equipamentos pesados, para compensar o déficit na operação que contribuiu para uma queda de 43% na produção no primeiro trimestre de 2022.

114. O antigo fornecedor já vinha apresentando baixos índices na entrega dos equipamentos para operação da Mina. Tendo isso em mente e tentando contornar os problemas iniciados em 2021, as Requerentes promoveram a sua substituição.

³⁰<https://www.diariodoamapa.com.br/cadernos/cidades/apos-queda-na-producao-mina-tucano-tem-nova-mineradora-no-amapa/> - acesso em 04/09/2022.

³¹<https://www.diariodoamapa.com.br/cadernos/cidades/apos-queda-na-producao-mina-tucano-tem-nova-mineradora-no-amapa/>
<https://www.noticiasdeminerao.com/empresas/news/1430474/great-panther-troca-u-m-por-minax-para-operar-mina-de-ouro-tucano-no-amap%C3%A1>
<https://clickpetroleoegas.com.br/multinacional-great-panther-troca-um-mineracao-que-administrava-a-mina-tucano-pela-mineradora-minax-apos-queda-na-producao-de-oncas-de-ouro/> - acesso em 04/09/2022.

115. Inobstante a substituição tenha, em um primeiro momento, reduzido os custos do contrato, a transição não ocorreu da forma contratada. O contrato com o novo fornecedor foi aditado diversas vezes para prorrogar a data de entrega dos equipamentos, que deveria ocorrer em junho e não ocorreu.

116. Assim, as Requerentes continuaram a experimentar uma diminuição na produção de ouro no primeiro semestre de 2022, durante o qual a receita da Mina de Tucano foi de aproximadamente US\$ 57 milhões, cerca de US\$ 12 milhões a menos que no mesmo período de 2021.

117. **Outros fatores.** Desde o encerramento dos contratos do *hedge* de ouro e câmbio em 2013, o Grupo Tucano ficou suscetível ao risco nas variações do preço do ouro, que é negociado em dólar, e por isso sofre grandes alterações de acordo com a volatilidade do mercado.

118. Diante disso, as Requerentes passaram a ter dificuldades para honrar com o pagamento dos seus fornecedores, bem como os financiamentos bancários, agravando ainda mais a sua crise financeira.

119. Soma-se isso à crise econômico-financeira da GPM, que não teve sucesso nas tentativas de levantar e aportar recursos no Grupo Tucano.

120. Ou seja, somado ao aumento da taxa de juros, o desequilíbrio cambial e a intensa restrição de crédito, aliados à dificuldade de aporte de capital pela GPM trouxeram impactantes dificuldades de fluxo de caixa e crise de liquidez às Requerentes.

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121. Além de todas as dificuldades relatadas, as Requerentes também firmaram alguns contratos financeiros que representam um passivo de cerca de 35 milhões de reais e que vem drenando o seu combalido fluxo de caixa.

122. No cenário de dificuldades financeiras em que se encontram as Requerentes, o bloqueio de receitas, além de não quitar suas dívidas, consumirá boa parte de sua receita para os próximos meses, impedindo as Requerentes, em curto prazo, de fazer frente às suas despesas correntes.

123. Nesse contexto, a possibilidade de atingir o essencial fluxo de caixa das Requerentes, através de execuções individuais têm o efeito de praticamente inviabilizar a operação das Requerentes, se mostrando essencial a proteção do fluxo de caixa da empresa durante o *Stay Period*.

124. Mesmo com o difícil cenário, as Requerentes em nenhum momento deixaram de exercer suas atividades, restando claro que a oscilação do mercado, bem como os problemas pontuais relacionados à paralização da USC são apenas temporários e que as sociedades apresentam meios para superar a crise, cujo passivo, anexado nesta inicial, pode e deve ser solucionado por meio desta Recuperação Judicial.

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125. Portanto, é evidente que o deferimento e processamento desta Recuperação Judicial é a medida necessária para reverter a momentânea situação de crise econômico-financeira acometida pelas Requerentes, a fim de (i) estancar a escalada do endividamento financeiro, (ii) reestruturar o endividamento com o apoio de seus credores, (iii) proteger as Requerentes contra ações de cobrança e execuções; (iv) facilitar a obtenção de novos recursos, e (v) redimensionar sua operação e relação com fornecedores e parceiros para assim permitir a superação da crise econômico-financeira atual.

VI. SUPERAÇÃO DA CRISE E INTERESSE NA RECUPERAÇÃO JUDICIAL (CF, Art. 170 e LRF, Art. 47)

126. A Mina Tucano é composta por: (i) oito cavas a céu aberto; (ii) um projeto subterrâneo; (iii) uma planta de processamento de 3 milhões de toneladas por ano, incluindo um moinho de bolas, espessador e planta de oxigênio; e (iv) uma instalação de rejeitos.

127. A Mina Tucano detém também direitos minerais, concessões e arrendamentos, totalizando 197 mil hectares de terra.

128. Com relação à sua reserva de ouro, em julho de 2021 a Mina de Tucano possuía aproximadamente 656 mil onças.

129. Ao contrário do que ocorre em outras *commodities*, uma vez “descoberto” por meio de estudos próprios, o ouro permanece no mesmo lugar, aguardando apenas o investimento necessário ou o momento economicamente mais adequado para ser extraído.

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130. Em setores como de celulose e agrícola, é comum que haja disputa com o “concorrente da fazenda ao lado”, que pode ser capaz de plantar mais árvores (pinheiro, eucalipto, bambu) ou ter uma colheita recorde de soja, tomando espaço no mercado de outros *players*.

131. Ademais, nesses exemplos de *commodities*, a demanda é limitada e o produto é perecível, fatores estranhos à produção de uma empresa, mas que influenciam diretamente no preço a ser praticado. Consequentemente, no sucesso no negócio.

132. Já na mineração de ouro (ou de outro metal precioso), não; a oferta mundial é limitadíssima, a demanda é enorme e o produto, simplesmente não perece.

133. Sendo assim, em mineração, como avaliar e projetar a viabilidade do negócio? Pela vida útil da mina, o chamado LOM (*Life of Mine*³²).

134. E é exatamente ancorada nesta realidade técnica que as Requerentes se destacam e demonstram que, inobstante a passageira dificuldade financeira pela qual vem passando, são capazes de recuperar a atividade empresarial.

³² Vida da Mina ou “LOM” significa o tempo em que, através do emprego do capital disponível, as reservas de minério, ou tal extensão razoável das reservas de minério que a análise geológica conservadora possa justificar, serão extraídas.

135. Analisando o negócio apenas por esta fotografia, não haveria dúvidas de que a superação das atuais dificuldades de fluxo de caixa é remediável, já que a vida útil da Mina, em reservas das cavas ainda seria de mais 2 anos e meio, e a vida útil do projeto subterrâneo seria de 13 anos. Mas não é só. As Requerentes ainda contam ambiente e ativos que incrementam essa equação favoravelmente.

136. **Infraestrutura.** Como já afirmado, para viabilizar a atividade empresarial, as Requerentes construíram moderna planta industrial, com excelente infraestrutura local, com acesso rodoviário, energia hidrelétrica (com redundância de geradores a diesel), telecomunicação e acesso simplificado ao porto.

137. **Expertise e inteligência.** A equipe técnica qualificada das Requerentes identificou os gargalos da operação, mapeou as medidas para contenção das despesas e otimização de recursos para retomada de uma operação saudável.

138. Nos seus quase 200 mil hectares, a mina ainda possui cerca de 8 (oito) cavas a céu aberto³³ (que demanda menor investimento no início da exploração), além de possibilidades de exploração subterrânea.

139. **Processamento do estoque de ouro.** Nesta linha, como forma de preservação de caixa, de reservas e de todo o potencial da Mina, as Requerentes passaram a processar apenas o seu estoque de ouro já extraído.

³³ Taperebá (cavas A e B), Taperebá (cavas A e C), Urucum e Duck head.

140. Nesta toada, tem-se que as Requerentes se estruturaram de forma organizada, técnica e efetiva a fim de receber novos investimentos necessários retomada plena da exploração.

141. Contudo, para que possa angariar novos investimentos e aplicar as medidas para aumentar a sua produção, tais medidas seriam insuficientes considerando o atual endividamento da Mina Tucano.

142. Deste modo, as Requerentes também necessitam reestruturar o seu passivo e se proteger de investidas abusivas contra o seu patrimônio, a fim de efetivamente - e com segurança - saírem da crise. Ademais, a Recuperação Judicial prevê estímulos à captação de novos recursos.

143. Portanto, a Recuperação Judicial será um importante mecanismo para a retomada das Requerentes e a reestruturação das dívidas.

144. Diante da situação atual, faz-se necessário criar um ambiente seguro para que elas possam renegociar com seus credores e fazer as mudanças operacionais necessárias.

145. Assim, para priorizar a manutenção da empresa potencialmente capaz de superar situação de momentânea crise financeira, mediante meios elencados no artigo 50 da LRF, as Requerentes se valem deste procedimento recuperacional para que possam se reerguer, gerar riquezas e empregos, com inegáveis benefícios também aos seus credores.

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VII. REQUISITOS E INSTRUÇÃO DO PEDIDO DE RECUPERAÇÃO JUDICIAL (LRF, Arts. 48 e 51)

146. As Requerentes comprovam o preenchimento de todos os requisitos legais para o deferimento do processamento do pedido de Recuperação Judicial, em conformidade com a LRF.

147. **ART. 48, CAPUT.** As Requerentes exercem, regularmente, suas atividades há mais de 2 (dois) anos, fato comprovado com os inclusos cadastros da Receita Federal (Doc. 3) de suas sedes.

148. **ART. 48, INCISOS I, II E III.** As Requerentes nunca foram falidas, jamais requereram concessão de recuperação judicial, nem mesmo com base em plano especial, fato comprovado com as respectivas e inclusas certidões expedidas pelos Distribuidores Cíveis e de Interdições e Tutelas (Doc. 4).

149. **ART. 48, INCISO IV.** Os Administradores das Requerentes jamais foram condenados por quaisquer dos crimes previstos na Lei nº 11.101/2005, afirmação comprovada por certidões negativas dos distribuidores (Doc. 5).

150. **ART. 51, INCISO I.** As causas concretas do pedido estão expostas, minuciosamente, no precedente Capítulo V desta petição inicial.

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151. **ART. 51, INCISO II.** As Requerentes acostam as demonstrações contábeis relativas aos 3 (três) últimos exercícios sociais de 2019, 2020 e 2021 as levantadas especialmente para instruir o pedido, compostas por balancetes patrimoniais, bem como a demonstração do resultado desde o último exercício social (Doc. 6), e o relatório gerencial de fluxo de caixa e de sua projeção consolidados (Doc. 7).

152. **ART. 51, INCISO III.** As Requerentes anexam a relação nominal completa dos seus respectivos credores (Doc. 8), sujeitos ou não à recuperação judicial, incluindo os negócios jurídicos celebrados com os credores de que trata o §3º, do artigo 49, desta Lei, com a indicação do endereço físico e eletrônico de cada um, a natureza, conforme estabelecido nos artigos 83 e 84 desta Lei, e o valor atualizado do crédito, com a discriminação de sua origem, e o regime dos vencimentos.

153. **ART. 51, INCISO IV.** As Requerentes juntam a relação integral dos seus respectivos empregados, com suas funções e salários do mês de competência (Doc. 9), apresentada em petição avulsa, diretamente na serventia do Cartório, sob segredo de justiça, de modo que o acesso a elas fique restrito a este MM. Juízo, ao Administrador Judicial e ao representante do Ministério Público.

154. **ART. 51, INCISO V.** As Requerentes acostam seus respectivos Contratos Sociais e últimas Alterações registrados na Junta Comercial do Estado do Rio de Janeiro e do Amapá (Doc. 2).

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155. **ART. 51, INCISO VI.** Invocando o direito constitucional ao sigilo fiscal, requerem que as declarações dos sócios das Requerentes (Doc. 10), apresentada em petição avulsa, diretamente na serventia do Cartório, em cumprimento ao artigo 51, VI, da LRF, sejam recebidas e devidamente acauteladas em Cartório, sob segredo de justiça, de modo que o acesso a elas fique restrito a este MM. Juízo, ao Administrador Judicial e ao representante do Ministério Público.

156. **ART. 51, INCISO VII.** As Requerentes pugnam que este MM. Juízo autorize a apresentação em petição avulsa, diretamente à serventia dos extratos das suas respectivas contas bancárias e do Banco Central (Doc. 11 – que será anexado sob sigilo)

157. **ART. 51, INCISO VIII.** As Requerentes apresentam as certidões dos Cartórios de Protesto da Cidade do Rio de Janeiro e da cidade de Pedra Branca do Amapari (Doc. 12).

158. **ART. 51, INCISO IX.** As Requerentes juntam a relação das ações judiciais nas quais figuram no polo ativo e no polo passivo, bem como declaração informando que não figura em nenhum procedimento arbitral (Doc. 13).

159. **ART. 51, INCISO X.** As Requerentes anexam o relatório fiscal detalhado dos apontamentos apenas administrativos (comprovando o domicílio no Rio de Janeiro), que demonstra que não existem demandas judiciais contra as Requerentes (Doc. 14).

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160. **ART. 51, INCISO XI.** Por derradeiro, e dando cumprimento integral ao artigo 51, da LRF, as Requerentes juntam a relação de bens e direitos integrantes do ativo não circulante (Doc. 15).

161. Adicionalmente, as Requerentes procedem à juntada das certidões emitidas junto ao 9º Distribuidor e à Justiça Federal (Doc. 16), bem como à Justiça do Trabalho (Doc. 17), e dos competentes instrumentos de procuração (Doc 1).

162. No que diz respeito aos documentos indicados no art. 51, inciso VI, correspondente a relação dos bens particulares dos sócios controladores e dos administradores do devedor, relação dos funcionários e extrato do Banco Central, as Peticionantes pugnam que este MM. Juízo autorize a apresentação em petição avulsa, diretamente à serventia

163. A finalidade do acautelamento de tais documentos em Cartório é de manter em sigilo informações pessoais sensíveis daqueles que diariamente contribuem para o desenvolvimento da atividade econômica das Requerentes.

164. Portanto, requerem que os documentos mencionados permaneçam sob segredo de justiça, de modo que o acesso fique restrito apenas a esse MM. Juízo, ao Ilmo. Administrador Judicial a ser nomeado e ao representante do Ministério Público.

165. Por fim, na forma das razões expostas, minuciosamente, no Capítulo II desta petição inicial, todas as Requerentes dependem do deferimento do processamento do pedido de Recuperação Judicial para a manutenção da atividade produtiva.

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166. Por fim, informam ainda a juntada das fotos da sede (Doc. 18), bem como da ata de assembleia geral extraordinária para deliberação do pedido de recuperação judicial (Doc. 19).

VIII. OPORTUNA APRESENTAÇÃO DO PLANO DE RECUPERAÇÃO JUDICIAL

167. As Requerentes informam que o Plano de Recuperação Judicial (PRJ) será devidamente apresentado dentro do prazo de **60 (sessenta) dias**, contados da data de publicação da decisão que deferir o processamento deste pedido de Recuperação Judicial, conforme preconiza o artigo 53, da LRF.

168. No momento da apresentação do PRJ serão demonstrados pormenorizadamente os meios de recuperação, bem como a sua viabilidade econômico-financeira e o laudo de avaliação dos bens das Requerentes.

IX. PEDIDO LIMINAR DE LIMINAR DE TUTELA DE URGÊNCIA – STAY PERIOD (LRF, Art. 6º, §12 e CPC, Art. 300)

169. Com o advento da Lei nº 14.112/2020 e a inovação trazida ao instituto da Recuperação Judicial, bem como a sabida finalidade de preservação da empresa, caberá ao juiz a análise dos requisitos do artigo 300 do CPC³⁴, a fim de antecipar os efeitos do deferimento do processamento³⁵.

³⁴ Art. 300. A tutela de urgência será concedida quando houver elementos que evidenciem a probabilidade do direito e o perigo de dano ou o risco ao resultado útil do processo.

³⁵ Vale disponibilizar, para fácil acesso o conteúdo do texto legal: artigo 6º da Lei 11.101/05: “A decretação da falência ou o deferimento do processamento da recuperação judicial implica: § 12.

170. O Art. 6º, §12 da LRF expressamente autoriza a concessão de tutela de urgência para antecipar os efeitos do deferimento da recuperação judicial. Nos termos do art. 300 do CPC, as tutelas de urgência poderão ser concedidas quando houver elementos que evidenciem a probabilidade do direito e o perigo de dano ou risco ao resultado útil do processo.

171. Ao ajuizar o pedido de recuperação judicial, entende-se que a empresa devedora está passando por grave crise financeira e necessita de fôlego para sobreviver e, por conseguinte, o perigo de dano se caracteriza pela possibilidade de constrições de ativos da empresa devedora, por credores sujeitos à recuperação judicial.

172. Leciona o Magistrado do Tribunal de Justiça do Estado de São Paulo, Daniel Carnio³⁶:

“Essa disposição legal é de extrema importância para a proteção das empresas que buscam em juízo a recuperação judicial. Isso porque o simples protocolo do pedido de acarreta em uma verdadeira corrida ao ouro, com o ajuizamento de ações pelos credores em busca de seus direitos, antes de o juízo conceder a suspensão prevista da Lei 11.101/2005, art. 6º, § 4º. Ao possibilitar a suspensão antes mesmo de ser deferido o processamento da recuperação judicial a lei protege a devedora e assegura ao juízo a tranquilidade de não colocar em processamento recuperação judicial de empresa cuja situação esteja irregular”.

Observado o disposto no art. 300 da Lei nº 13.105, de 16 de março de 2015 (Código de Processo Civil), o juiz poderá antecipar total ou parcialmente os efeitos do deferimento do processamento da recuperação judicial”.

36 (COSTA, Daniel Carnio. Comentários à lei de recuperação de empresas e falência: Lei 11.101, de 09 de fevereiro de 2005 / Daniel Carnio Costa, Alexandre Correa Nasser de Melo – Curitiba: Juruá, 2021. p. 72).

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173. Como se sabe, é comum a existência de cláusulas de aceleração de dívidas em caso de ajuizamento de recuperação judicial e o mero protocolo do pedido de recuperação judicial acarreta uma corrida pelos ativos do devedor.

174. A título de exemplo, confira-se o teor de uma cláusula em um contrato firmado com a Mina Tucano, pelo qual o ajuizamento de recuperação judicial acarretará o vencimento antecipado das obrigações previstas no contrato:

SECTION 4. Default

Default hereunder shall occur on the happening of any one or more of the following events (each an "**Event of Default**"):

(A) Failure of Pledgor to keep or perform any of the terms or provisions of this Pledge and Security Agreement.

(B) Levy anywhere of any attachment, execution or other process against Pledgor or any of the Collateral.

(C) Default by the Pledgor in the payment in full of any amount due hereunder or default by the Borrower in the payment in full of any amount due under the Loan Documentation.

(D) Insolvency, failure in business, appointment of an administrator or general assignment for the benefit of creditors, filing of any petition in bankruptcy, "concordata", dissolution, liquidation, reorganization, adjustment, composition, indebtedness or similar legislation or proceedings or circumstance initiated by or against the Pledgor or the Borrower, or adversely affecting the Collateral, or if in the reasonable discretion of the Secured Party the Pledgor's financial obligation is such that the payment by the Pledgor of any amount due by it is threatened.

175. Assim, é evidente o perigo de dano, tendo em vista a possibilidade de vencimento antecipado das obrigações e início de perseguição de créditos sujeitos ao concurso, pois eventual comprometimento de caixa e de ativos neste momento já tão delicado, poderá prejudicar toda a reestruturação e uma negociação coletiva com todos os credores para a superação da crise.

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176. A tutela de urgência não só assegura a viabilidade da empresa devedora, mas também o *par conditio creditorum*, pois impossibilita que os credores promovam uma corrida desenfreada pelos ativos do devedor, antes mesmo do deferimento do processamento da recuperação judicial.

177. Considerando o exposto, evidente que a probabilidade do direito restou plenamente evidenciada, pois foram preenchidos os requisitos do art. 48 da LRF, bem como foram juntados todos os documentos indicados no art. 51 da LRF.

178. Outrossim, todos os requerimentos aqui apresentados estão sustentados em jurisprudência direta e inequívoca, o que robustece ainda maior probabilidade do direito vindicado, sendo o requerimento da tutela antecipada fundamentado na necessidade de soerguimento das Requerentes.

179. Sob as palavras do Professor Fábio Ulhoa Coelho, a suspensão tratada aqui tem como objetivo a reorganização da sociedade empresária, bem como é do interesse dos credores que se preserve o patrimônio da empresa devedora para que no juízo universal seja garantido o respeito ao *par conditio creditorum*³⁷.

³⁷ “Suspendem-se as execuções individuais contra o empresário individual ou sociedade empresária que requereu a recuperação judicial para que eles tenham o fôlego necessário para atingir o objetivo pretendido da reorganização da empresa. A recuperação judicial não é execução concursal e, por isso, não se sobrepõe as execuções individuais em curso. A suspensão, aqui, tem fundamento diferente. Se as execuções continuassem, o devedor poderia ver frustrados os objetivos da recuperação judicial, em prejuízo, em última análise, da comunhão de credores.” (COELHO, FÁBIO ULHOA. Comentários à Lei de Falências e Recuperação de Empresas / Fábio Ulhoa Coelho. – 14. ed. rev. atual. e ampl. – São Paulo: Thomson Reuters Brasil, 2021. p. 66).

180. Observa-se que ainda que não cumpridas por completo as exigências documentais dispostas na LRF, o deferimento de tal medida se faz necessária para posterior apresentação do faltante, com a devida segurança que a suspensão do art. 6º da Lei atribui.

181. Neste sentido:

AGRAVO DE INSTRUMENTO. DECISÃO QUE DEFERIU O PROCESSAMENTO DA RECUPERAÇÃO JUDICIAL DOS AGRAVADOS. INSURGÊNCIA DO CREDOR. ALEGAÇÃO DE VIOLAÇÃO AOS ARTIGOS 48, 51 e 69-J DA LEI 11.101/05. DOCUMENTAÇÃO APRESENTADA QUE É SUFICIENTE PARA ADMITIR O DEFERIMENTO DO PROCESSAMENTO DA RECUPERAÇÃO JUDICIAL (...) NÃO HÁ ÓBICE PARA QUE OS DOCUMENTOS FALTANTES SEJAM APRESENTADOS, POSTERIORMENTE, INCLUSIVE EM RELAÇÃO AO COAGRAVADOS, PRODUTORES RURAIS. DOCUMENTOS QUE DEMONSTRAM O EXERCÍCIO DAS ATIVIDADES RURAIS PELOS AGRAVADOS, HÁ MAIS DE 2 ANOS, INEXISTINDO PROVA EM SENTIDO CONTRÁRIO. EXEGESE AMPLIATIVA DO ART. 48, §§3º e 4º, DA LEI Nº 11.101/05. (...) AUSÊNCIA DE ELEMENTOS INDICATIVOS DE EVENTUAL IRREGULARIDADE OU FALSIDADE NAS INFORMAÇÕES PRESTADAS. **PROCESSAMENTO DA RECUPERAÇÃO QUE DEPENDE APENAS DA VERIFICAÇÃO FORMAL DOS REQUISITOS OBJETIVOS DOS ARTS. 48 E 51, DA LEI Nº 11.101/05. RECURSO NÃO PROVIDO.**” (TJSP, Agravo de Instrumento n. 2165325-61.2021.8.26.0000, Des. Rel. Alexandre Lazzarini, 1ª Câmara Reservada de Direito Empresarial, dje. 20/10/2021).

182. Diante todo o exposto, as Requerentes postulam, com fulcro no artigo 300 do CPC, o deferimento da tutela de urgência, a fim de que seja deferida a antecipação dos efeitos do *Stay Period*.

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X. PEDIDOS

183. Diante do exposto, as Requerentes requerem à V. Exa.:

- a) o deferimento do pedido de tutela de urgência para que seja deferida a **antecipação dos efeitos do Stay Period**, previsto no artigo 6º LRF;
- b) o deferimento do **processamento deste pedido de Recuperação Judicial**, em consolidação processual / litisconsórcio ativo, para que, nos termos do artigo 52 da Lei nº 11.101/2005:
 - (i) Seja nomeado o Administrador Judicial;
 - (ii) Seja desde logo ordenada a suspensão de todas as ações e execuções em curso movidas em face das Requerentes, pelo prazo legal;
 - (iii) Seja determinada a dispensa da apresentação de certidões negativas para o exercício de suas atividades;
 - (iv) Seja intimado o Ministério Público e expedidos ofícios a fim de se comunicar as Fazendas Públicas Federal, Estadual e Municipal; e

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(v) Seja publicado o edital previsto no artigo 52, §1º, da LRF.

184. Ademais, com fundamento nas garantias constitucionais de proteção da intimidade e do sigilo fiscal, as Requerentes solicitam autorização para que as declarações de bens apresentadas em cumprimento ao art. 51, VI da LRF, bem como os demais documentos indicados como sigilosos nesta petição, sejam protocoladas em segredo de justiça ou acauteladas nas dependências do Cartório deste d. Juízo, com acesso limitado e restrito ao Administrador Judicial e ao representante do Ministério Público.

185. Por fim, as Requerentes declaram o endereço profissional dos seus advogados constituídos à Avenida Marechal Câmara, nº 271, 3º andar, Centro, Rio de Janeiro - RJ, local em que poderão receber intimações, e requerem que todas as intimações sejam realizadas exclusivamente em nome de **JULIANA BUMACHAR** (bumachar@bumachar.adv.br), inscrita na OAB/RJ sob o nº 113.760, **sob pena de nulidade** (CPC, art. 272, § 5º).

186. Atribui-se à causa o valor de R\$ 1.176.385.136,43.

N. Termos,

P. Deferimento.

Rio de Janeiro, 06 de setembro de 2022.

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Juliana Bumachar

OAB/RJ 113.760

Vitor Hugo Erlich Varella

OAB/RJ 136.509

Hayna Bittencourt

OAB/RJ n. 174.213

Thiago Carapetcov

OAB/RJ 151.772

Renato Scardoa

OAB/SP 228.465

Helena Sorvi

OAB/RJ 186.048

Juliana Jesus

OAB/SP 391.632

Konrad Güth

OAB/RJ 218.184

Mina Tucano Ltda.

Beadell (Brazil) PTY Ltd.

Beadell (Brazil) PTY Ltd.

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O(s) nome(s) indicado(s) para assinatura, bem como seu(s) status em 14/09/2022 é(são) :

- ☒ Cristina Gonzales - 108.911.608-09 em 14/09/2022 16:51 UTC-03:00

Tipo: Certificado Digital



This is **Exhibit "L"** referred to in the Affidavit of **Sandra Daycock**, affirmed before me at Vancouver, British Columbia, this 28th day of September, 2022.

A handwritten signature in blue ink, consisting of a series of fluid, connected strokes.

A Commissioner for Oaths for
the Province of British Columbia



September 23, 2022

Via Email (paul.healey@asahirefining.com)

Asahi Refining Canada Ltd.
130 Glidden Road
Brampton, Ontario L6W 3M8

Attention: Paul Healey

Dear Sir:

Re: Refining Agreement No: BC-2018/10/13 dated July 1, 2019, between Asahi Refining Canada Ltd. ("Asahi"), as refiner, and Great Panther Mining Limited ("GPM"), as customer, as amended by (i) the Amendment to Refining Agreement dated December 19, 2019, (ii) the Amendment to Refining Agreement dated December 16, 2020, and (iii) the Amendment No. 3 to Refining Agreement dated September 20, 2021 (collectively, and as the same may be further amended, restated, or supplemented, from time to time, the "Refining Agreement")

Under the Refining Agreement, Asahi agreed to receive and refine 100% of the gold doré bars from the mine owned by GPM's subsidiary, Mina Tucano Ltda. (the "Tucano Mine") at Asahi's refinery in Brampton, Ontario, Canada, and GPM agreed to deliver such Material to Asahi on an exclusive basis for refining and sale by Asahi under the Refining Agreement. Capitalized terms used herein and not otherwise defined have the meaning given in the Refining Agreement. GPM and Asahi may be referred to as the "Parties".

On September 6, 2022 (the "Filing Date"), GPM filed a Notice of Intention to Make a Proposal (the "NOI") pursuant to section 50.4 of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3 (the "BIA"). As a result of filing the NOI, all claims against GPM arising on or before the Filing Date (collectively, the "Pre-filing Claims") have been stayed pursuant to section 69 of the BIA. The Pre-filing Claims include certain claims or amounts which arose on or before the Filing Date under the Refining Agreement and a Gold Prepayment Agreement dated September 20, 2021 (the "GPA") entered into between, *inter alios*, GPM and Asahi. Any claims or amounts owing from or payable by GPM to Asahi with respect to any Services provided to GPM by Asahi after the Filing Date may be referred to as the "Asahi Post-filing Claims".

This letter agreement (this "Agreement") documents the agreement between Asahi and GPM concerning the continued supply of the Services after the Filing Date and amends the Refining Agreement accordingly.

For good and valuable consideration the receipt and sufficiency of which is acknowledged, Asahi and GPM hereby covenant and agree as follows:

- (i) except as expressly amended pursuant to this Agreement, all terms and conditions of the Refining Agreement shall continue in full force and effect;
- (ii) GPM agrees not to pledge or otherwise grant a security interest in any of its material assets without the prior written consent of Asahi except pursuant to court order issued by the Court in GPM's NOI proceedings (or equivalent Canadian proceedings, if applicable), in which Asahi had the opportunity to participate;
- (iii) Asahi shall continue to benefit from the exclusivity provisions of the GPA such that GPM shall be required to deliver any and all Material to Asahi to perform the Services and shall not be permitted to use any other refineries without the prior written consent of Asahi unless Asahi has provided GPM with five (5) business days prior written notice. In this Agreement, "business day" means any day which is not a Saturday, Sunday or official public holiday in Toronto, Ontario, Vancouver, British Columbia or Sao Paulo, Brazil;

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- (iv) notwithstanding section 9.3 of the Refining Agreement, Asahi shall not seek to set-off any amounts which may become due and owing from Asahi to GPM in respect of gold doré bars delivered to Asahi after the Filing Date against any claims Asahi may have against GPM under the GPA while a stay of proceedings is in effect against GPM; provided that, 1.5% of the gold refined from each shipment of gold doré bars will be retained by Asahi and applied against the principal balance owing under the GPA;
- (v) GPM agrees that it shall pay any Asahi Post-filing Claims and/or Services in the ordinary course pursuant to the Refining Agreement;
- (vi) from and after the Filing Date, the set-off provisions contained in the Refining Agreement shall continue to apply to any Services provided after the Filing Date except as set out in subparagraph (iv);
- (vii) in accordance with the Refining Agreement, GPM will deliver Material to the Refinery using Brinks FCA (Incoterms 2010) and Asahi will settle by way of Early Settlement in accordance with Section 8.4(1) of the Refining Agreement, subject to paragraph (viii) below and that the Refiner's "Charges" shall include the 1.5% set-off described in paragraph (iv) above. All Charges shall be deducted from the Early Settlement payment;
- (viii) from and after the date hereof, the Parties agree that section 9.1.2 of the Refining Agreement shall no longer require the negotiation of the Finance Fee with respect to any Early Settlement, and instead, the Finance Fee applicable to all Early Settlements shall be SOFR plus 6.75% per annum;
- (ix) each of the Parties acknowledge that this Agreement (including its terms and the fact that the Parties have entered into this Agreement) shall not constitute Confidential Information and may be publicly disclosed by either Party;
- (x) GPM shall reimburse Asahi, on demand, for all reasonable actual out-of-pocket legal fees and other relevant professional fees incurred by Asahi in respect of this Agreement to a limit of Cdn. \$35,000 plus any applicable taxes and disbursements;
- (xi) GPM shall seek court approval for this Agreement under the NOI proceedings (or similar proceedings, if applicable) in Canada;
- (xii) Asahi explicitly retains all of its rights under statute, common law and equity;
- (xiii) this Agreement may be executed in counterpart and delivered by electronic means, as contemplated by section 25.1 of the Refining Agreement; and
- (xiv) this Agreement shall constitute, and shall be deemed for all purposes to constitute, an agreement in writing executed by each of the Parties, as contemplated by section 24.1 of the Refining Agreement.

If these terms meet with your approval, please sign and return a copy of this Agreement.

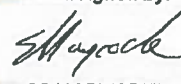
Signature page follows.

PH

Yours truly,

GREAT PANTHER MINING LIMITED

Per:

DocuSigned by:

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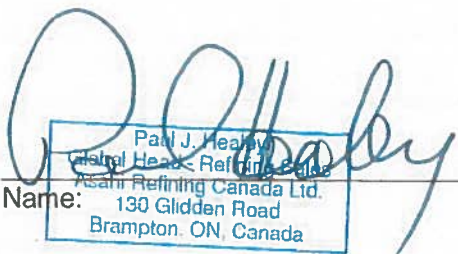
Name: Sandra Daycock

Title: Chief Financial Officer

ACCEPTED AND AGREED TO BY:

ASAHI REFINING CANADA LTD.

Per:


Paul J. Healey
General Manager Refining Sales
Asahi Refining Canada Ltd.
Name: 130 Glidden Road
Brampton, ON, Canada

Title:

This is **Exhibit "M"** referred to in the Affidavit of **Sandra Daycock**, affirmed before me at Vancouver, British Columbia, this 28th day of September, 2022.

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A Commissioner for Oaths for
the Province of British Columbia



GREAT PANTHER MINING LIMITED
CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE THREE AND SIX MONTHS ENDED
JUNE 30, 2022, and 2021

Expressed in US Dollars
(Unaudited)

GREAT PANTHER MINING LIMITED**CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**

(Expressed in thousands of US dollars - Unaudited)

	June 30, 2022	December 31, 2021
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 21,058	\$ 47,692
Restricted cash	157	159
Trade and other receivables (note 3)	9,171	14,718
Inventories (note 4)	23,814	25,112
Other current assets (note 5)	5,152	4,278
	59,352	91,959
Assets held for sale (note 6)	23,311	–
	82,663	91,959
Other receivables (note 3)	2,640	8,317
Mineral properties, plant and equipment (note 7)	143,990	119,168
Exploration and evaluation assets (note 8)	23,613	27,303
Other assets (note 9)	9,058	17,296
	\$ 261,964	\$ 264,043
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Trade payables and accrued liabilities (note 10(a))	\$ 57,564	\$ 48,736
Current portion of borrowings (note 11)	41,514	42,614
Reclamation and remediation provisions – current	–	406
	99,078	91,756
Liabilities associated with assets held for sale (note 6)	22,813	–
	121,891	91,756
Other liabilities (note 10(b))	7,346	2,967
Borrowings (note 11)	1,875	6,329
Reclamation and remediation provisions	52,659	70,464
Deferred tax liabilities	2,457	4,536
	186,228	176,052
Shareholders' equity:		
Share capital (note 13)	297,641	291,561
Reserves	10,322	7,444
Deficit	(232,227)	(211,014)
	75,736	87,991
	\$ 261,964	\$ 264,043

The accompanying notes are an integral part of these consolidated financial statements.

Going concern (note 2(b))

Commitments and contingencies (note 19)

Subsequent event (note 13)

Approved by the Board of Directors

"Alan Hair"

Alan Hair, Director

"Dana Williams"

Dana Williams, Director

GREAT PANTHER MINING LIMITED

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)
(Expressed in thousands of US dollars - Unaudited)

For the three and six months ended June 30, 2021 and 2020 (Unaudited)

	Three months ended June 30,		Six months ended June 30,	
	2022	2021	2022	2021
Continuing operations				
Revenue (note 14)	\$ 30,022	\$ 39,043	\$ 57,194	\$ 79,566
Cost of sales				
Production costs (note 15)	25,453	34,923	51,722	57,711
Amortization and depletion	4,487	6,776	8,413	14,621
	29,940	41,699	60,135	72,332
Mine operating earnings (loss)	82	(2,656)	(2,941)	7,234
General and administrative expenses (note 16)	3,496	3,540	6,463	7,842
Exploration and evaluation expenses (note 17)	1,799	1,847	3,609	3,600
Operating earnings (loss)	(5,213)	(8,043)	(13,013)	(4,208)
Finance and other income (expense)				
Finance income	87	35	133	84
Finance expense	(1,350)	(529)	(2,140)	(1,397)
Other income (expense) (note 18)	(5,559)	(299)	(1,942)	(2,762)
	(6,822)	(793)	(3,949)	(4,075)
Loss before income taxes	(12,035)	(8,836)	(16,962)	(8,283)
Income tax expense (recovery)	17	(129)	17	221
Net loss from continuing operations	(12,052)	(8,707)	(16,979)	(8,504)
Loss from discontinued operations, net of tax	(276)	(1,350)	(4,234)	(1,884)
Net loss for the period	\$ (12,328)	\$ (10,057)	\$ (21,213)	\$ (10,388)
Loss per share – basic & diluted (note 13(d))	\$ (0.26)	\$ (0.28)	\$ (0.46)	\$ (0.29)
Loss per share continuing operations – basic & diluted (note 13(d))	\$ (0.26)	\$ (0.24)	\$ (0.37)	\$ (0.24)

The accompanying notes are an integral part of these consolidated financial statements.

GREAT PANTHER MINING LIMITED

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)
(Expressed in thousands of US dollars - Unaudited)

For the three and six months ended June 30, 2022, and 2021

	Three months ended June 30,		Six months ended June 30,	
	2022	2021	2022	2021
Net loss for the period	\$ (12,328)	\$ (10,057)	\$ (21,213)	\$ (10,388)
Other comprehensive income (loss) ("OCI"), net of tax				
Foreign currency translation	(10,175)	11,858	2,722	4,283
Change in fair value of financial assets designated as fair value through OCI	(122)	1	(140)	1
	(10,297)	11,859	2,582	4,284
Total comprehensive income (loss) for the period	\$ (22,625)	\$ 1,802	\$ (18,631)	\$ (6,104)

The accompanying notes are an integral part of these consolidated financial statements.

GREAT PANTHER MINING LIMITED

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (Expressed in thousands of US dollars, except number of common shares - Unaudited)

For the three and six months ended June 30, 2022, and 2021

	Share capital		Reserves				Total shareholders' equity
	Number of common shares (000s)	Amount	Share options and warrants	Foreign currency translation	Fair value	Total reserves	
Balance, January 1, 2021	35,503	\$ 268,872	\$ 21,815	\$ (10,029)	\$ (182)	\$ 11,604	\$ 111,703
Restricted and deferred share units settled	84	591	(591)	-	-	(591)	-
Share options exercised	65	456	(132)	-	-	(132)	324
Share-based compensation	-	-	1,231	-	-	1,231	1,231
Comprehensive income (loss)	-	-	-	4,283	1	4,284	(6,104)
Balance, June 30, 2021	35,652	\$ 269,919	\$ 22,323	\$ (5,746)	\$ (181)	\$ 16,396	\$ 107,154
Balance, January 1, 2022	44,566	\$ 291,561	\$ 22,702	\$ (14,830)	\$ (428)	\$ 7,444	\$ 87,991
Shares issued for financings, net of issuance costs (note 13(e))	2,486	5,694	-	-	-	-	5,694
Restricted and deferred share units settled	85	386	(386)	-	-	(386)	-
Share-based compensation	-	-	682	-	-	682	682
Comprehensive income (loss)	-	-	-	2,722	(140)	2,582	(18,631)
Balance, June 30, 2022	47,137	\$ 297,641	\$ 22,998	\$ (12,108)	\$ (568)	\$ 10,322	\$ 75,736

The accompanying notes are an integral part of these consolidated financial statements.

GREAT PANTHER MINING LIMITED**CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS**

(Expressed in thousands of US dollars - Unaudited)

For the three and six months ended June 30, 2022, and 2021

	Three months ended June 30,		Six months ended June 30,	
	2022	2021	2022	2021
Cash flows from operating activities:				
Net loss for the period	\$ (12,328)	\$ (10,057)	\$ (21,213)	\$ (10,388)
Items not involving cash:				
Amortization and depletion	5,629	7,885	11,431	16,792
Reversal of prior impairment provision, net of depreciation and amortization	(513)	—	(513)	—
Unrealized foreign exchange gain	(2,702)	(257)	(5,706)	(442)
Income tax expense (recovery)	(2,156)	(129)	(2,156)	221
Share-based compensation	539	642	682	1,231
Other items (note 20(a))	4,080	1,267	5,938	3,259
Interest received	68	70	133	137
Interest paid	(869)	(319)	(1,256)	(771)
Settlement of derivative instruments	—	—	—	(3,546)
Income taxes paid	(66)	(34)	(167)	(135)
	(8,318)	(932)	(12,827)	6,358
Net change in operating assets and liabilities:				
Trade and other receivables	9,588	719	8,225	2,406
Inventories	(1,679)	7,040	(700)	4,349
Other current assets	(1,101)	303	(3,391)	(2,160)
Trade payables and accrued liabilities	9,788	(625)	8,352	(2,119)
Net cash provided by (used in) operating activities	8,278	6,505	(341)	8,834
Cash flows from investing activities:				
Settlement of reimbursement rights (note 9(a))	13,000	—	13,000	—
Cash restricted for Coricancha environmental bond	(4,550)	(398)	(4,550)	(400)
Additions to mineral properties, plant and equipment	(22,064)	(14,488)	(33,572)	(27,478)
Net cash used in investing activities	(13,614)	(14,886)	(25,122)	(27,878)
Cash flows from financing activities:				
Proceeds from issuance of common shares (note 13(e))	3,140	—	5,894	—
Share issuance costs	(106)	—	(200)	—
Payment of lease liabilities	(2,710)	(1,513)	(4,256)	(2,969)
Proceeds from borrowings	8,256	6,900	14,576	9,550
Repayment of borrowings	(13,929)	(8,275)	(16,856)	(16,717)
Proceeds from exercise of share options	—	319	—	324
Net cash provided by (used in) financing activities	(5,349)	(2,569)	(842)	(9,812)
Effect of foreign currency translation on cash and cash equivalents	(1,127)	715	175	689
Decrease in cash and cash equivalents	(11,812)	(10,235)	(26,130)	(28,167)
Cash and cash equivalents, beginning of period	33,374	45,464	47,692	63,396
Less cash and cash equivalents classified as asset held for sale	(504)	—	(504)	—
Cash and cash equivalents, end of period	\$ 21,058	\$ 35,229	\$ 21,058	\$ 35,229

The accompanying notes are an integral part of these consolidated financial statements.

Supplemental cash flow information (note 20)

GREAT PANTHER MINING LIMITED

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
(Tabular amounts expressed in thousands of US dollars, except where otherwise noted)

As at and for the three and six months ended June 30, 2022, and 2021 (Unaudited)

1. NATURE OF OPERATIONS

Great Panther Mining Limited ("Great Panther" or the "Company") is a public company listed on the Toronto Stock Exchange ("TSX") trading under the symbol GPR, and on the NYSE American trading under the symbol GPL and is incorporated and domiciled in Canada. The Company's registered and records office is located at 1330 – 200 Granville Street, Vancouver, BC.

The Company has three wholly owned mining operations including the Tucano gold mine ("Tucano"), which produces gold doré and is located in Amapá State in northern Brazil. In Mexico, Great Panther operates the Topia mine ("Topia") in the state of Durango, which produces concentrates containing silver, gold, lead and zinc, and the Guanajuato Mine Complex (the "GMC") in the state of Guanajuato. The GMC comprises the Guanajuato mine ("Guanajuato"), the San Ignacio mine ("San Ignacio") and the Cata processing plant, which produces silver and gold concentrates. The Company placed the GMC on care and maintenance (Guanajuato and Cata processing plant in November 2021 and the San Ignacio mine in early January 2022). On June 29, 2022, Great Panther entered into a Share Purchase Agreement (the "Agreement") with Guanajuato Silver Company Ltd. ("GSilver") to sell 100% of the Company's Mexican subsidiary Minera Mexicana El Rosario S.A. de C.V. ("MMR"), which holds the GMC, Topia, and the El Horcón and Santa Rosa projects, all located in Mexico. The transaction is expected to close within 2022 and accordingly, MMR and its operations have been classified as assets held for sale at June 30, 2022 in accordance with *IFRS 5, Assets Held for Sale*, on the consolidated statement of financial position and the results of operations have been classified as discontinued operations on the consolidated statements of comprehensive income (loss) for all periods presented.

The Company also wholly owns the Coricancha Mine Complex ("Coricancha"), a gold-silver-copper-lead-zinc mine and processing facility in the central Andes of Peru, approximately 90 kilometres east of Lima. Coricancha was acquired by the Company in June 2017, having been placed on care and maintenance by its previous owner in August 2013. The Company is evaluating its options with respect to the Coricancha mine.

These condensed interim consolidated financial statements ("consolidated financial statements") have been prepared on a going concern basis, which contemplates the continuity of normal business activity and the realization of assets and the settlement of liabilities in the normal course of business.

2. BASIS OF PREPARATION AND GOING CONCERN

(a) Basis of preparation

These condensed interim consolidated financial statements have been prepared in accordance with International Accounting Standard 34 Interim Financial Reporting ("IAS 34") using accounting policies consistent with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). These should be read in conjunction with the Company's most recent annual consolidated financial statements as at and for the year ended December 31, 2021. The accounting policies and critical estimates applied by the Company in these condensed interim consolidated financial statements are the same as those applied in the most recent annual consolidated financial statements, with the exception of the classification of MMR and its operations as assets held for sale in accordance with IFRS 5 as detailed in note 6. These condensed interim consolidated financial statements do not include all the information required for full annual financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of changes in the Company's financial position and performance since the most recent annual consolidated financial statements.

These condensed interim consolidated financial statements were approved by the Company's Board of Directors on August 3, 2022.

GREAT PANTHER MINING LIMITED

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
(Tabular amounts expressed in thousands of US dollars, except where otherwise noted)

As at and for the three and six months ended June 30, 2022, and 2021 (Unaudited)

(b) Accounting policies

During the period ended June 30, 2022, the Company has applied the following accounting policy which was not applied in the annual consolidated financial statements for the year ended December 31, 2021:

(i) Assets held for sale and discontinued operations

Non-current assets, or disposal groups comprising assets and liabilities, are classified as held-for-sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use. For the sale to be highly probable, management must be committed to, and have a plan to sell the assets, the assets must be available for immediate sale in their present condition and the sale must be expected to qualify for recognition as a completed sale within one year from the date of classification.

Such assets, or disposal groups, are measured at the lower of their original carrying amount and fair value less costs to sell. Impairment losses or impairment reversals on initial classification as held-for-sale and subsequent gains and losses on remeasurement are recognized in earnings or loss. Impairment losses previously recognized, net of amortization that would have been recorded had no impairment loss been recognized in prior periods, are reversed to the extent that the reversal does not cause the net asset position to exceed the estimated fair value of the assets less costs to sell. Once classified as held-for-sale, intangible assets and property, plant and equipment are no longer amortized or depreciated.

The results of operations for discontinued operations are restated for the comparative periods to reclassify the earnings (loss) related to the discontinued operation as earnings (loss) from discontinued operations. The non-current assets and non-current liabilities are reclassified on the statement of financial position for those periods meeting the criteria for assets held for sale and are included within current assets and current liabilities.

(c) Going concern basis of accounting

The consolidated financial statements have been prepared on a going concern basis, which assumes that the Company will be able to meet its obligations as they become due. As of June 30, 2022, the Company has a net working capital deficit of \$39.2 million, including \$41.5 million of current borrowings. Included in current borrowings are \$25.2 million of unsecured bank facilities. Historically, the Company has generally been able to renew or replace the unsecured bank facilities but cannot provide assurance that it will do so in the future.

The Company has determined that it will require further financing and will consider additional equity financing, including through use of the At-the-Market Facility ("ATM Facility") and debt financing, in order to meet long-term objectives and improve working capital, fund planned capital investments and exploration programs for its operating mines, acquisitions and meet scheduled debt repayment obligations.

Adverse movement in metal prices, unforeseen impacts to the Company's operation, and the inability to renew or extend existing credit facilities that become due may increase the need to raise new external sources of capital, and the inability to access sources of capital could adversely impact the Company's liquidity and require the Company to curtail capital and exploration program and other discretionary expenditures.

The Company has determined that the factors above indicate the existence of material uncertainty over the Company's ability to meet its obligations in the next 12 months, which creates substantial doubt about the Company's ability to continue as a going concern.

If for any reason the Company is unable to continue as a going concern, this could have a material impact on the Company's ability to realize assets at their recognized values, in particular mineral properties, plant and equipment, and to extinguish liabilities in the normal course of business at the amounts stated in the consolidated financial statements.

GREAT PANTHER MINING LIMITED

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
(Tabular amounts expressed in thousands of US dollars, except where otherwise noted)

As at and for the three and six months ended June 30, 2022, and 2021 (Unaudited)

3. TRADE AND OTHER RECEIVABLES

	June 30, 2022	December 31, 2021
Current		
Trade receivables	\$ –	\$ 2,061
Value-added tax receivable	191	3,217
PIS / COFINS – Brazil (a)	8,301	8,171
Judicial deposits – Brazil	57	281
Other	622	988
	9,171	14,718
Non-Current		
PIS / COFINS – Brazil (a)	–	5,613
Income taxes recoverable – Brazil	2,640	2,704
	\$ 2,640	\$ 8,317

(a) PIS/COFINS

The PIS (Program of Social Integration) and COFINS (Contribution for the Financing of Social Security) are Brazilian federal taxes that apply to all companies in the private sector. PIS is a mandatory employer contribution to an employee savings initiative, and COFINS is a contribution to finance the social security system. Companies are required to calculate and remit PIS and COFINS based on monthly gross revenues. The Company's Brazilian gold sales are zero-rated for PIS/COFINS purposes, and the current legislation allows for input tax credits by applying rates of 1.65% for PIS and 7.65% for COFINS, respectively, to some of the purchases in Brazil. As such, the Company has PIS/COFINS credits recorded as receivables. PIS/COFINS credits can be applied to reduce certain federal tax liabilities and are also recoverable in cash under certain circumstances.

During the three months ended June 30, 2022, the Company successfully collected PIS/COFINS in the amount of \$7.4 million.

4. INVENTORIES

	June 30, 2022	December 31, 2021
Concentrate	\$ –	\$ 707
Ore stockpiles	900	1,510
Materials and supplies	19,297	19,276
Gold in circuit	1,506	1,282
Gold doré	2,111	2,337
	\$ 23,814	\$ 25,112

During the three and six months ended June 30, 2022, the inventory recognized as cost of sales was \$30.8 million and \$60.2 million (2021 – \$40.5 million and \$69.9 million), which includes production costs and amortization and depletion directly attributable to the inventory production process.

GREAT PANTHER MINING LIMITED

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
(Tabular amounts expressed in thousands of US dollars, except where otherwise noted)

As at and for the three and six months ended June 30, 2022, and 2021 (Unaudited)

5. OTHER CURRENT ASSETS

	June 30, 2022	December 31, 2021
Prepaid expenses and deposits	\$ 4,940	\$ 2,017
Reimbursement rights (note 9(a))	—	1,918
Other current assets	212	343
	\$ 5,152	\$ 4,278

6. ASSETS HELD FOR SALE

On June 29, 2022, the Company signed a definitive agreement to sell 100% of the Company's Mexican subsidiary MMR, which holds the GMC, the Topia mine, and the El Horcón and Santa Rosa projects, all located in Mexico, to GSilver.

Per the terms of the Agreement, GSilver agreed to pay \$14.7 million for the MMR assets

- \$8.0 million cash payable on closing
- A total of 25,787,200 common shares of GSilver valued at approximately \$6.7 million based on the June 29, 2022 share price of GSilver's common shares

GSilver has also agreed to pay the Company up to an additional \$2.0 million in contingent payments based on the following events:

- \$0.5 million upon producing 2.5 million ounces of silver from the GMC and Topia;
- \$0.75 million upon the price of silver closing at or above \$27.50 per ounce over a 30-day period in the two years following the Agreement; and
- \$0.75 million upon the price of silver closing at or above \$30.00 per ounce over a 30-day period in the two years following the Agreement.

Impairment losses of \$12.5 million net of depreciation and amortization of \$12.0 million, were reversed resulting in a \$0.5 million gain on reversal of impairment.

GREAT PANTHER MINING LIMITED

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
(Tabular amounts expressed in thousands of US dollars, except where otherwise noted)

As at and for the three and six months ended June 30, 2022, and 2021 (Unaudited)

Loss from discontinued operations

	Three months ended June 30,		Six months ended June 30,	
	2022	2021	2022	2021
Revenue	\$ 4,174	\$ 13,054	\$ 10,433	\$ 25,101
Expenses	7,136	14,404	17,353	26,985
Income (loss) before income tax expense	(2,962)	(1,350)	(6,920)	(1,884)
Income tax expense (recovery)	(2,173)	–	(2,173)	–
Income (loss) from operations, net of income tax	(789)	(1,350)	(4,747)	(1,884)
Gain on reversal of previously recorded impairment provision	513	–	513	–
Loss from discontinued operations, net of tax	\$ (276)	\$ (1,350)	\$ (4,234)	\$ (1,884)

Net assets held for sale**June 30, 2022****ASSETS**

Current assets:

Cash and cash equivalents	\$ 504
Trade and other receivables	3,687
Inventories	3,936
Other current assets	449
	8,576
Mineral properties, plant and equipment	12,623
Exploration and evaluation assets	2,112
	\$ 23,311

LIABILITIES

Current liabilities:

Trade payables and accrued liabilities	\$ 3,532
Current portion of borrowings	3,750
Reclamation and remediation provisions – current	141
	7,423
Other liabilities	397
Reclamation and remediation provisions	14,993
	22,813
Net assets held for sale	\$ 498

GREAT PANTHER MINING LIMITED**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

(Tabular amounts expressed in thousands of US dollars, except where otherwise noted)

As at and for the three and six months ended June 30, 2022, and 2021 (Unaudited)

Cash flows from discontinued operations

	Three months ended June 30,		Six months ended June 30,	
	2022	2021	2022	2021
Cash flow from operations	\$ 1,389	\$ 2,231	\$ 672	\$ 4,001
Cash flows from investing activities	\$ (1,270)	\$ (1,280)	\$ (2,173)	\$ (1,818)
Cash flows from financing activities	\$ (1,440)	\$ (176)	\$ (1,612)	\$ (295)

7. MINERAL PROPERTIES, PLANT AND EQUIPMENT

	Mineral properties – depletable	Mineral properties – non depletable	Plant and equipment	Land and buildings	Furniture, fixtures and equipment	Right-of- use assets	Total
Cost							
Balance, January 1, 2022	\$118,455	\$ 31,540	\$ 78,736	\$25,945	\$ 5,599	\$ 20,557	\$280,832
Additions	25,422	–	2,995	5,067	91	11,416	44,991
Change in remediation provision	(3,544)	–	839	–	–	–	(2,705)
Assets reclassified to assets held for sale	(39,871)	–	(43,157)	(2,723)	(3,815)	(1,934)	(91,500)
Foreign exchange translation difference	4,623	2,062	2,217	1,246	40	1,677	11,865
Balance, June 30, 2022	\$105,085	\$ 33,602	\$ 41,630	\$29,535	\$ 1,915	\$ 31,716	\$243,483
Accumulated depreciation							
Balance, January 1, 2022	\$ 69,399	\$ –	\$ 60,337	\$11,478	\$ 5,110	\$ 15,340	\$ 161,664
Amortization and depletion	4,783	–	1,499	653	102	5,070	12,107
Assets reclassified to assets held for sale	(37,241)	–	(35,667)	(1,838)	(3,683)	(961)	(79,390)
Foreign exchange translation difference	2,113	–	1,604	612	32	751	5,112
Balance, June 30, 2022	\$ 39,054	\$ –	\$ 27,773	\$10,905	\$ 1,561	\$ 20,200	\$ 99,493
Carrying value, June 30, 2022	\$ 66,031	\$ 33,602	\$ 13,857	\$18,630	\$ 354	\$ 11,516	\$ 143,990

GREAT PANTHER MINING LIMITED

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
(Tabular amounts expressed in thousands of US dollars, except where otherwise noted)

As at and for the three and six months ended June 30, 2022, and 2021 (Unaudited)

(a) Leases

(i) Right-of-use assets

	Mining equipment	Power generators	Vehicles	Office & communicat ion	Land easements	Total
Balance, January 1, 2022	\$ 2,657	\$ 1,059	\$ 162	\$ 248	\$ 1,091	\$ 5,217
Additions	11,392	–	–	–	25	11,417
Amortization and depletion	(3,989)	(723)	(130)	(116)	(113)	(5,071)
Assets reclassified to assets held for sale	(855)	(5)	–	–	(113)	(973)
Foreign exchange translation difference	728	71	133	(6)	–	926
Balance, June 30, 2022	\$ 9,933	\$ 402	\$ 165	\$ 126	\$ 890	\$ 11,516

(ii) Lease liabilities

	June 30, 2022	December 31, 2021
Maturity analysis – contractual undiscounted cash flows		
Less than one year	\$ 8,142	\$ 5,538
One to five years	7,109	2,810
More than five years	79	151
Total undiscounted lease liabilities	15,330	8,499
Lease liabilities in the Consolidated Statement of Financial Position	13,447	8,157
Current (note 10(a))	6,292	5,381
Non-current (note 10(b))	\$ 7,155	\$ 2,776

Effective January 1, 2022, the Company entered into a mining services contract with Transportes e Construcões S.A. ("MINAX") with a three-year term that contains both lease and non-lease components under IFRS 16. The present value of the payments related to the lease component of \$10.9 million was recognized at the commencement date of the contract.

(iii) Amount recognized in the Consolidated Statements of Comprehensive Income

	Three months ended June 30,		Six months ended June 30,	
	2022	2021	2022	2021
Interest on lease liabilities	\$ 1,160	\$ 250	\$ 1,377	\$ 465
Variable lease payments not included in the measurement of lease liabilities	\$ 28,070	\$ 11,518	\$ 39,683	\$ 24,603
Expenses relating to short-term leases	\$ 2,053	\$ 5,187	\$ 3,936	\$ 11,708

The Company has elected to apply the practical expedient not to recognize right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets.

GREAT PANTHER MINING LIMITED

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
(Tabular amounts expressed in thousands of US dollars, except where otherwise noted)

As at and for the three and six months ended June 30, 2022, and 2021 (Unaudited)

8. EXPLORATION AND EVALUATION ASSETS

	Santa Rosa Property	El Horcón Property	Coricancha	Tucano	Total
Balance, January 1, 2022	\$ 988	\$ 1,124	\$ 24,980	\$ 211	\$ 27,303
Change in reclamation and remediation provision	–	–	(1,591)	–	(1,591)
Assets reclassified to assets held for sale	(988)	(1,124)	–	–	(2,112)
Foreign exchange translation difference	–	–	–	13	13
Balance, June 30, 2022	\$ –	\$ –	\$ 23,389	\$ 224	\$ 23,613

9. OTHER ASSETS

	June 30, 2022	December 31, 2021
Reimbursement rights (a)	\$ –	\$ 12,792
Restricted cash (b)	9,058	4,504
	\$ 9,058	\$ 17,296

(a) Reimbursement rights

Pursuant to the acquisition of Coricancha, the vendors, Nyrstar International B.V. and Nyrstar Netherlands (Holdings) B.V. (together “Nyrstar”) and their parent company (at the time of the acquisition, Nyrstar N.V. and subsequently replaced by NN2 Newco Limited), agreed to reimburse the Company for the movement and reclamation of certain legacy tailings facilities and certain fines or sanctions resulting from activities or ownership of Coricancha prior to June 30, 2017. At December 31, 2021, the Company had recognized \$1.9 million in other current assets and \$12.8 million in other assets based on the Company's estimate of the expected costs and timing of the related expenditures and reimbursement from Nyrstar.

On June 16, 2022 the Company entered into a settlement agreement (the “Settlement Deed”) with Nyrstar to settle the amounts related to the reimbursement rights, cancellation of the original Share Purchase Agreement between Nyrstar and the Company including an earn-out clause entitling Nyrstar to certain future cash flows from Coricancha. The settlement monetizes the Nyrstar indemnity while providing the Company with flexibility with respect to the future of the mine. Nyrstar and GPR's rights and obligations under these agreements will fall away and the Settlement Deed will be the only remaining agreement between the parties. The Settlement Deed includes certain indemnities from the Company against any future liabilities with respect to Coricancha. On June 16, 2022, Nyrstar paid \$13.0 million to the Company resulting in a loss of \$1.8 million recorded in other income (expense) for the three months ended June 30, 2022.

(b) Restricted cash

The Company is required to maintain mine closure surety bonds with respect to Coricancha. The total amount of the closure bond required as at June 30, 2022 was \$10.9 million, of which Nyrstar was required to provide collateral for \$6.5 million until June 30, 2022, except in a circumstance where the Company elected to permanently close the mine.

Pursuant to the terms of the Settlement Deed, Nyrstar was released from its obligation to fund closure bonds for Coricancha and the Company put in place the remaining \$6.5 million closure bond. As at June 30, 2022 the Company has acquired surety bonds totaling \$10.9 million issued by an insurance company by providing cash collateral of \$9.0 million (December 31, 2021 - \$4.4 million).

GREAT PANTHER MINING LIMITED

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
(Tabular amounts expressed in thousands of US dollars, except where otherwise noted)

As at and for the three and six months ended June 30, 2022, and 2021 (Unaudited)

10. TRADE PAYABLES AND ACCRUED LIABILITIES AND OTHER LIABILITIES**(a) Trade payables and accrued liabilities**

	June 30, 2022	December 31, 2021
Trade payables	\$ 25,506	\$ 17,137
Accrued liabilities	20,720	20,722
Taxes payable	3,250	3,250
Lease liabilities	6,292	5,381
Other payables	1,796	2,246
	\$ 57,564	\$ 48,736

(b) Other liabilities

	June 30, 2022	December 31, 2021
Lease liabilities	\$ 7,155	\$ 2,776
Accrued liabilities	191	191
	\$ 7,346	\$ 2,967

11. BORROWINGS

	Unsecured bank facilities	Bradesco	Samsung	Asahi	Total
Balance, January 1, 2022	\$ 22,848	\$ 1,239	\$ 4,971	\$ 19,885	\$ 48,943
Borrowings	12,076	2,500	—	—	14,576
Interest accrued	641	155	260	594	1,650
Principal repayments	(10,050)	(556)	(1,250)	(5,000)	(16,856)
Interest payments	(308)	(110)	(231)	(525)	(1,174)
Borrowings reclassified to liabilities associated with assets held for sale (note 6)	—	—	(3,750)	—	(3,750)
Balance, June 30, 2022	\$ 25,207	\$ 3,228	\$ —	\$ 14,954	\$ 43,389
Current	\$ 25,207	\$ 1,353	\$ —	\$ 14,954	\$ 41,514
Non-current	\$ —	\$ 1,875	\$ —	\$ —	\$ 1,875

(a) Unsecured bank facilities

The Company has unsecured, revolving, interest-bearing bank facilities totalling \$25.2 million. The unsecured bank facilities are denominated in US dollars ("USD") and are interest bearing at a weighted average fixed interest rate of 5.31% per annum and are repayable through March 2023.

GREAT PANTHER MINING LIMITED

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
(Tabular amounts expressed in thousands of US dollars, except where otherwise noted)

As at and for the three and six months ended June 30, 2022, and 2021 (Unaudited)

(b) Bradesco

On March 11, 2020, the Company received a USD denominated loan from Bradesco in the amount of \$10.0 million, with net loan proceeds of \$2.5 million as \$7.5 million is required to be retained as cash collateral. The loan matures on February 24, 2023 and is required to be repaid in nine quarterly repayments of \$1.1 million commencing March 5, 2021. The return of the cash collateral will be proportionate to the quarterly loan repayments, resulting in net quarterly repayments of \$0.3 million commencing March 5, 2021. The loan principal bears interest at 3.7% per annum, and the cash collateral earns interest at rates from 1.55% to 2.40% per annum. At June 30, 2022, the principal balance outstanding is \$3.3 million (December 31, 2021 – \$5.6 million) and cash collateral of \$2.5 million (December 31, 2021 – \$4.2 million) has been netted against the outstanding principal balance.

On February 16, 2022, the Company received a USD denominated loan from Bradesco in the amount of \$5.0 million, with net loan proceeds of \$2.5 million as \$2.5 million is required to be retained as cash collateral. The loan matures on January 31, 2025 and is required to be repaid in eight quarterly repayments of \$0.6 million commencing May 12, 2023. The return of the cash collateral will be proportionate to the quarterly loan repayments, resulting in net quarterly repayments of \$0.3 million commencing May 12, 2023. The loan principal bears interest at 4.09% per annum, and the cash collateral earns interest at rates of 2.00% per annum. At June 30, 2022, the principal balance outstanding is \$5.0 million (December 31, 2021 – nil) and cash collateral of \$2.5 million (December 31, 2021 – nil) has been netted against the outstanding principal balance.

(c) Asahi

On September 21, 2021, the Company entered into a \$20 million gold doré prepayment agreement with Asahi (the "Asahi Advance"). The Asahi Advance is repayable in twelve equal monthly instalments of \$1.7 million commencing in April 2022. The Advance bears interest at an annual rate of 1-month USD LIBOR plus 4.75% and is secured by a pledge of all equity interests in Great Panther's Brazilian subsidiary that owns Tucano. Great Panther has a full option for early repayment of the Advance, subject to a 3% penalty applied to the outstanding balance. Asahi is provided exclusivity on refining and will purchase 100% of Tucano gold production during the term of the agreement. Tucano will sell the equivalent volume of gold equal to the \$1.7 million principal repayment at a 0.5% discount to the spot price at the time of sale and the remainder of the production will be sold at spot prices.

12. FINANCIAL INSTRUMENTS

At June 30, 2022, the fair value of the Company's long-term borrowings approximates their carrying values measured based on level 2 of the fair value hierarchy.

The fair value of other financial instruments approximates their carrying values due to their short-term nature.

13. SHARE CAPITAL

On July 21, 2022, the Company announced that the Company's common shares were consolidated at a ratio of 10 pre-consolidation common shares to one post-consolidation common share. The Common Shares began trading on a post-Consolidation basis on the Toronto Stock Exchange and NYSE American on July 25, 2022. All outstanding incentive stock options granted pursuant to the Company's Omnibus Incentive Plan will be adjusted in accordance with their terms to increase their exercise price by a factor of 10 and to reduce the number of Common Shares issued upon exercise by dividing by 10. Appropriate adjustments to reflect the consolidation will also be made to outstanding deferred share units, restricted share units and performance share units granted pursuant to the Omnibus Incentive Plan. Note 13 has been presented on a pre consolidation basis, excluding 13 (d) Earnings (loss) per share, as the consolidation occurred after period end.

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(a) Share options

	Six months ended June 30,			
	2022		2021	
	Options (000's)	Weighted average exercise price	Options (000's)	Weighted average exercise price
Outstanding, January 1	6,854	C\$ 0.87	9,709	C\$ 1.00
Granted	10,577	0.29	2,341	1.04
Forfeited/Expired	(2,630)	0.80	(2,466)	1.42
Exercised	—	—	(651)	0.61
Outstanding, June 30	14,801	C\$ 0.45	8,933	C\$ 0.92
Exercisable, June 30	3,575	C\$ 0.78	3,974	C\$ 1.07

Range of exercise prices	Options outstanding (000's)	Weighted average remaining contractual life (years)	Options exercisable (000's)	Weighted average exercise price	
C\$0.23 to \$0.53	10,010	4.68	484	C\$	0.28
C\$0.54 to \$0.62	2,252	2.18	1,449		0.54
C\$0.63 to \$1.10	2,084	2.89	1,187		1.00
C\$1.11 to \$1.60	455	0.98	455		1.49
	14,801	4.14	3,575	C\$	0.78

During the three and six months ended June 30, 2022, the Company recorded share-based compensation expense relating to share options of \$0.2 million and \$0.2 million, respectively (three and six months ended June 30, 2021 – \$0.1 million and \$0.3 million, respectively).

The weighted average fair value of options granted during the six months ended June 30, 2022, was C\$0.11 (six months ended June 30, 2021 – C\$0.49). The grant date fair value of share options granted was determined using a Black Scholes option pricing model using the following weighted average assumptions:

	2022	2021
Risk-free interest rate	2.96%	0.54%
Expected life (years)	2.50	3.14
Annualized volatility	76%	71%
Forfeiture rate	24%	20%

The annualized volatility assumption is based on the historical volatility of the Company's common share price on the TSX. The risk-free interest rate assumption is based on government bonds with a remaining term equal to the expected life of the options.

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(b) Restricted share units ("RSUs"), Performance based restricted share unit ("PSUs") and Deferred share units ("DSUs")

The following table summarizes information about the RSUs outstanding at June 30, 2022 and 2021:

	Six months ended June 30,			
	2022		2021	
	Number of units	Weighted average grant date fair value (\$/unit)	Number of units	Weighted average grant date fair value (\$/unit)
Balance at January 1	1,477,475	C\$ 0.82	1,911,434	C\$ 0.70
Granted	2,995,645	0.28	776,270	1.04
Settled	(349,288)	0.29	(550,242)	0.76
Cancelled	(512,306)	0.28	(403,186)	0.72
Outstanding at June 30	3,611,526	C\$ 0.28	1,734,276	C\$ 0.83

The following table summarizes information about the PSUs outstanding at June 30, 2022 and 2021:

	Six months ended June 30,			
	2022		2021	
	Number of units	Weighted average grant date fair value (\$/unit)	Number of units	Weighted average grant date fair value (\$/unit)
Balance at January 1	1,827,054	C\$ 0.82	1,904,500	C\$ 0.70
Granted	2,362,652	0.28	780,968	1.04
Cancelled	(801,396)	0.75	(472,619)	0.68
Outstanding at June 30	3,388,310	C\$ 0.46	2,212,849	C\$ 0.82

The following table summarizes information about the DSUs outstanding at June 30, 2022, and 2021:

	Six months ended June 30,			
	2022		2021	
	Number of units	Weighted average grant date fair value (\$/unit)	Number of units	Weighted average grant date fair value (\$/unit)
Balance at January 1	2,777,243	C\$ 0.76	2,420,189	C\$ 0.78
Granted	2,635,199	0.23	781,354	0.91
Settled	(498,080)	0.28	(288,500)	1.11
Outstanding at June 30	4,914,362	C\$ 0.52	2,913,043	C\$ 0.78

During the three and six months ended June 30, 2022, the Company recorded share-based compensation expense relating to RSUs, PSUs, and DSUs of \$0.4 million and \$0.5 million, respectively (three and six months ended June 30, 2021 – \$0.5 million and \$0.9 million, respectively).

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(c) Share purchase warrants

As at June 30, 2022, the Company has no issued and outstanding share purchase warrants. The Company had issued 9,749,727 share purchase warrants at an exercise price of \$1.317 per share. 6,321,695 share purchase warrants expired on May 17, 2022, and 3,428,032 share purchase warrants expired on June 27, 2022.

(d) Earnings (loss) per share

	Three months ended June 30,		Six months ended June 30,	
	2022	2021	2022	2021
Loss attributable to equity owners	\$ (12,328)	\$ (10,057)	\$ (21,213)	\$ (10,388)
Weighted average number of shares (000's)	46,910	35,572	45,898	35,539
Loss per share – basic and diluted	\$ (0.26)	\$ (0.28)	\$ (0.46)	\$ (0.29)
Loss attributable to equity owners – continuing operations	\$ (12,052)	\$ (8,707)	\$ (16,979)	\$ (8,504)
Weighted average number of shares (000's)	46,910	35,572	45,898	35,539
Loss per share attributable to equity owners – continuing operations	\$ (0.26)	\$ (0.24)	\$ (0.37)	\$ (0.24)

Anti-dilutive share purchase options, warrants, deferred share units, restricted share units and performance share units have not been included in the diluted earnings per share calculation.

(e) Financings

On October 15, 2021, the Company entered into an At-the-Market Offering Agreement (the "ATM Agreement"), pursuant to which the Company may issue up to \$25.0 million at prevailing market prices during the term of the ATM Agreement (the "ATM Facility"). During the six months ended June 30, 2022, the Company issued 24,867,951 common shares under the ATM Facility and received net proceeds of \$5.7 million.

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14. REVENUE

The Company generates revenue primarily from the sale of precious metals, consisting of metal concentrates and refined gold.

In the following table, revenue is disaggregated by the geographic location of the Company's mines and major products.

	Three months ended June 30,			
	2022		2021	
	Revenue from continued operations (Brazil)	Revenue from discontinued operations (Mexico) (Note 6)	Revenue from continued operations (Brazil)	Revenue from discontinued operations (Mexico) (Note 6)
Gold	\$ 29,987	\$ 604	\$ 38,951	\$ 3,386
Silver	45	2,847	103	8,563
Lead	—	627	—	763
Zinc	—	976	—	1,004
Smelting and refining charges	(10)	(337)	(11)	(953)
Revenue from contracts with customers	\$ 30,022	\$ 4,717	\$ 39,043	\$ 12,763
Changes in fair value from provisional pricing	—	(543)	—	291
Total revenue	\$ 30,022	\$ 4,174	\$ 39,043	\$ 13,054

	Six months ended June 30,			
	2022		2021	
	Revenue from continued operations (Brazil)	Revenue from discontinued operations (Mexico) (Note 6)	Revenue from continued operations (Brazil)	Revenue from discontinued operations (Mexico) (Note 6)
Gold	\$ 57,115	\$ 1,036	\$ 79,407	\$ 6,656
Silver	96	6,612	183	16,653
Lead	—	1,440	—	1,618
Zinc	—	2,722	—	2,249
Smelting and refining charges	(17)	(1,170)	(24)	(2,177)
Revenue from contracts with customers	\$ 57,194	\$ 10,640	\$ 79,566	\$ 24,999
Changes in fair value from provisional pricing	—	(207)	—	102
Total revenue	\$ 57,194	\$ 10,433	\$ 79,566	\$ 25,101

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15. PRODUCTION COSTS

	Three months ended June 30,		Six months ended June 30,	
	2022	2021	2022	2021
Raw materials and consumables	\$ 13,434	\$ 11,777	\$ 26,257	\$ 21,166
Salaries and employee benefits	3,579	2,675	6,461	5,327
Contractors	6,918	10,627	15,246	20,349
Repairs and maintenance	351	309	576	467
Site administration	321	688	809	1,049
Royalties	882	1,065	1,614	2,184
Share-based compensation	105	134	171	233
	25,590	27,275	51,134	50,775
Change in inventories	(137)	7,648	588	6,936
Total production costs	\$ 25,453	\$ 34,923	\$ 51,722	\$ 57,711

16. GENERAL AND ADMINISTRATIVE EXPENSES

	Three months ended June 30,		Six months ended June 30,	
	2022	2021	2022	2021
Salaries and employee benefits	\$ 1,187	\$ 1,176	\$ 2,071	\$ 3,085
Professional fees	347	284	759	549
Office and other expenses	1,369	1,486	2,849	3,052
Amortization	147	132	296	242
Share-based compensation	446	462	488	914
Total general and administrative expenses	\$ 3,496	\$ 3,540	\$ 6,463	\$ 7,842

17. EXPLORATION AND EVALUATION EXPENSES

	Three months ended June 30,		Six months ended June 30,	
	2022	2021	2022	2021
Salaries and employee benefits	\$ 378	\$ 573	\$ 823	\$ 1,120
Raw materials and consumables	368	432	799	685
Contract services	314	537	828	1,013
Office and other expenses	750	259	1,135	698
Share-based compensation	(11)	46	24	84
Total exploration and evaluation expenses	\$ 1,799	\$ 1,847	\$ 3,609	\$ 3,600

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18. OTHER EXPENSE (INCOME)

	Three months ended June 30,		Six months ended June 30,	
	2022	2021	2022	2021
Accretion expense	\$ 1,109	\$ 541	\$ 1,829	\$ 993
Loss on derivative instruments	–	–	–	572
Foreign exchange loss (gain)	3,700	(1,034)	(1,084)	123
Loss on settlement of Nyrstar reimbursement rights (note 9)	1,841	–	1,841	–
Other expense (income)	(1,091)	792	(644)	1,074
	\$ 5,559	\$ 299	\$ 1,942	\$ 2,762

19. COMMITMENTS AND CONTINGENCIES

(a) Commitments

As at June 30, 2022, the Company had the following commitments:

	Total	1 year	2-3 years	4-5 years	Thereafter
Operating lease payments	\$ 1	\$ 1	\$ –	\$ –	\$ –
Equipment purchases	207	207	–	–	–
Total commitments	\$ 208	\$ 208	\$ –	\$ –	\$ –

(b) Contingencies

(i) Coricancha Peruvian Tax Matters

The Company's Peruvian subsidiary Great Panther Coricancha S.A. ("GPC") has received notice from SUNAT, the Peruvian tax authority, that SUNAT intends to hold GPC jointly liable with respect to the unpaid taxes of a leasing company that sold the Coricancha mining assets to GPC (formerly Compañía Minera San Juan S.A.) in March 2006, prior to the Company's acquisition of Coricancha effective June 30, 2017. The SUNAT claim is for unpaid taxes and related fines of the leasing company, which is not an affiliate of the Company, from its 2001 tax year, together with related fines. The amount claimed is approximately \$20 million.

The Company believes that the probability of the claim resulting in liability for GPC is remote and, as a consequence, has not recorded any contingency. The Company expects legal processes to take several years to reach a conclusion.

(ii) Tucano

a) Various claims related to Brazil indirect taxes and labour matters

The Company has various litigation claims from a number of governmental assessments pertaining to indirect taxes and labour disputes associated with former employees and contract labour in Brazil.

As of June 30, 2022, the items for which a loss was probable, inclusive of any related interest, amounted to approximately \$1.7 million, for which a provision was recognized (as of December 31, 2021 – \$1.4 million).

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In connection with the above proceedings, a total of \$0.4 million (December 31, 2021 - \$0.3 million) of escrow cash deposits were made as of June 30, 2022. Generally, any escrowed amounts would be refundable to the extent the matters are resolved in the Company's favour.

b) Environmental fines and penalties and judicial claims

The Company is a defendant in various lawsuits and legal actions, including for alleged fines, in Brazil. Management regularly reviews these lawsuits and legal actions with outside counsel to assess the likelihood that the Company will incur a material cash outflow to settle the claim. To the extent management believes it is probable that a material cash outflow will be incurred to settle the claim, a provision for the estimated settlement amount is recorded. As at June 30, 2022, the total amount of claims was \$15.4 million and the Company has accrued \$3.9 million, representing the estimated settlement amount for claims where material future cash outflows are probable. A summary of the most significant claims is as follows:

i. Environmental damages - William Creek

In May 2009, the State of Amapá Public Prosecutor ("MPAP") filed a public civil action seeking payment for environmental damages caused to William Creek, as well as to other creeks located in the region of influence of Zamin Amapá Mineração ("Zamin") and Tucano mines. The alleged damage is related to the modification of the creek's riverbed, soiling and sedimentation. In January 2018, the Amapá State Court ordered Tucano to pay a fine of approximately \$1.3 million (BRL 6.0 million plus interest and inflation counted as from the date of the damage) to the State Environmental Fund. As at June 30, 2022, the updated value with interest and inflation is approximately \$3.8 million (BRL 20.5 million). The Company is in the process of appealing. Based on legal advice received, the Company has accrued the best estimate of the cost to settle the claim.

ii. Archaeological sites damage

In 2020, a settlement agreement was reached related to certain archaeological civil actions. Tucano agreed to provide BRL 8.0 million, no later than December 31, 2021, for implementation of socio-environmental measures in the local community. The settlement amount has been paid as at December 31, 2021.

In related proceedings, not covered by the settlement agreement, Tucano is in the process of appealing fines and damages arising in the Federal Court of Appeal. The likelihood of total loss is not considered probable based on legal advice received. However, the best estimate of the loss is less than the full amount claimed, and the Company has accrued the best estimate of costs to settle the claim.

iii. Cyanide usage

In October 2018, the public prosecutor's office of labour affairs for the State of Amapá filed a public civil action seeking payment for potential damages and medical costs in relation to the Company's employees' exposure to cyanide used in the processing of its gold. In August 2019, a regional labour court ordered Tucano to pay compensation of approximately BRL 4.0 million plus interest and inflation for these damages, in addition to surveillance and funding medical costs of any diseases to Tucano's internal and outsourced employees and former employees, and to stop using cyanide in its production process within one year from the final non-appealable decision on the proceedings. Tucano is in the process of appealing to a Federal Superior Labour Court all aspects of the regional labour court decision. In March 2020, it was accepted that the appeal, exclusively with respect to whether or not the use of cyanide may continue, be admitted for consideration by the Federal Superior Labour Court and the balance of the decision has not yet been accepted for consideration and is under appeal. Tucano is not aware of any circumstances of former or current employees who have suffered health consequences from exposure to cyanide at the Company's operations. In addition, the Company notes that the use of cyanide in the processing of gold is common in the industry within Brazil and is not prohibited by any federal law in Brazil and that the Company complies

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with proper safety standards in the use and handling of cyanide in its operations. The Company believes the claims are without merit. As the matter progresses, the Company will review its assessment.

iv. December 2021 SEMA Notices of Infraction

On December 30, 2021, the Company announced that it intended to file a defense to three Notices of Infraction (the "Notices") that were delivered by the Amapá State Environmental Agency ("SEMA") to Tucano on December 21, 2021. The Notices were issued in connection with SEMA's investigation of a fish mortality event at Areia and Silvestre Creeks, and its assertion that the incident was caused by a leak in a reclaimed water pipe at the Tucano mine site. The Notices impose aggregate fines of BRL 50 million (approximately \$9.5 million at June 30, 2022).

The Company has filed its defense with a position that there is no causal link between the incident and the Tucano mine and has applied for the cancellation of the infraction notices issued by SEMA.

20. SUPPLEMENTAL CASH FLOW INFORMATION

(a) Other items

	Three months ended June 30,		Six months ended June 30,	
	2022	2021	2022	2021
Accretion	\$ 756	\$ 803	\$ 1,829	\$ 1,427
Finance expense	1,501	529	2,401	1,397
Finance income	(67)	(69)	(133)	(137)
Change in reclamation and remediation provision	49	4	—	—
Loss on derivative instruments	—	—	—	572
Loss on settlement of Nyrstar reimbursement rights (note 9)	1,841	—	1,841	—
	\$ 4,080	\$ 1,267	\$ 5,938	\$ 3,259

(b) Non-cash investing and financing activities

	Three months ended March 31,		Six months ended June 30,	
	2022	2021	2022	2021
Change in reclamation and remediation provision included within mineral properties, plant and equipment and exploration and evaluation assets	\$ 606	\$ (587)	\$ (4,296)	\$ (265)
Change in lease liability related to right-of-use assets	136	459	11,416	2,747

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21. OPERATING SEGMENTS

The Company's operations are all within the mining sector, consisting of one operating segment, which is located in Brazil, plus one segment associated with Coricancha in Peru, one Exploration segment and one Corporate segment. The Corporate segment provides financial, human resources and technical support to the other segments. The Tucano operation produces gold doré. The Exploration segment includes the Company's mineral exploration and evaluation assets at Plomo.

	Operations				Assets held for sale	Total
	Tucano	Coricancha	Exploration	Corporate		
Three months ended June 30, 2022						
External revenue	\$ —	\$ —	\$ —	\$ 30,022	\$ —	\$ 30,022
Intersegment revenue	29,903	—	—	(29,903)	—	—
Amortization and depletion	4,340	78	—	69	—	4,487
Exploration and evaluation expenses	10	1,809	(9)	(11)	—	1,799
Finance income	65	—	—	22	—	87
Finance expense	1,006	4	—	340	—	1,350
Income (loss) before income taxes	(3,591)	(4,068)	44	(4,420)	—	(12,035)
Income tax expense (recovery)	—	—	—	17	—	17
Loss from continuing operations	(3,591)	(4,068)	44	(4,437)	—	(12,052)
Loss from discontinued operations, net of tax	—	—	—	—	(276)	(276)
Net income (loss)	(3,591)	(4,068)	44	(4,437)	(276)	(12,328)
Six months ended June 30, 2022						
External revenue	\$ —	\$ —	\$ —	\$ 57,194	\$ —	\$ 57,194
Intersegment revenue	55,246	—	—	(55,246)	—	—
Amortization and depletion	8,117	157	—	139	—	8,413
Exploration and evaluation expenses	29	3,391	33	156	—	3,609
Finance income	95	—	—	38	—	133
Finance expense	1,413	90	—	637	—	2,140
Income (loss) before income taxes	(5,381)	(5,889)	(51)	(5,641)	—	(16,962)
Income tax expense	—	—	—	17	—	17
Loss from continuing operations	(5,381)	(5,889)	(51)	(5,658)	—	(16,979)
Loss from discontinued operations, net of tax	—	—	—	—	(4,234)	(4,234)
Net income (loss)	(5,381)	(5,889)	(51)	(5,658)	(4,234)	(21,213)
As at June 30, 2022						
Total assets	\$ 184,139	\$ 36,544	\$ 41	\$ 17,929	\$ 23,311	\$ 261,964
Total liabilities	\$ 101,798	\$ 45,043	\$ 1	\$ 16,573	\$ 22,813	\$ 186,228

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	Operations				Assets held for sale	Total
	Tucano	Coricancha	Exploration	Corporate		
Three months ended June 30, 2021						
External revenue	\$ —	\$ —	\$ —	\$ 39,043	\$ —	\$ 39,043
Intersegment revenue	37,145	—	—	(37,145)	—	—
Amortization and depletion	6,776	63	—	69	—	6,908
Exploration and evaluation expenses	34	1,533	63	217	—	1,847
Finance income	33	—	—	2	—	35
Finance expense	342	94	—	93	—	529
Loss before income taxes	(5,422)	(1,815)	(133)	(1,466)	—	(8,836)
Income tax expense (recovery)	(129)	—	—	—	—	(129)
Loss from continuing operations	(5,293)	(1,815)	(133)	(1,466)	—	(8,707)
Loss from discontinued operations, net of tax	—	—	—	—	(1,350)	(1,350)
Net income (loss)	(5,293)	(1,815)	(133)	(1,466)	(1,350)	(10,057)
Six months ended June 30, 2021						
External revenue	\$ —	\$ —	\$ —	\$ 79,566	\$ —	\$ 79,566
Intersegment revenue	77,252	—	—	(77,252)	—	—
Amortization and depletion	14,621	106	—	136	—	14,863
Exploration and evaluation expenses	134	2,892	122	452	—	3,600
Finance income	72	3	—	9	—	84
Finance expense	983	186	—	228	—	1,397
Income (loss) before income taxes	1,715	(3,619)	(173)	(6,206)	—	(8,283)
Income tax expense	6	—	—	215	—	221
Income (loss) from continuing operations	1,709	(3,619)	(173)	(6,421)	—	(8,504)
Loss from discontinued operations, net of tax	—	—	—	—	(1,884)	(1,884)
Net income (loss)	1,709	(3,619)	(173)	(6,421)	(1,884)	(10,388)
As at June 30, 2021						
Total assets	\$ 169,193	\$ 45,411	\$ 2,146	\$ 19,301	\$ 31,288	\$ 267,339
Total liabilities	\$ 83,240	\$ 44,115	\$ 542	\$ 11,533	\$ 20,755	\$ 160,185

This is **Exhibit "N"** referred to in the Affidavit of **Sandra Daycock**, affirmed before me at Vancouver, British Columbia, this 28th day of September, 2022.

A handwritten signature in blue ink, consisting of several fluid, connected strokes, positioned above a horizontal line.

A Commissioner for Oaths for
the Province of British Columbia



GREAT PANTHER MINING LIMITED
CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE THREE MONTHS ENDED
MARCH 31, 2022, and 2021

Expressed in US Dollars
(Unaudited)

GREAT PANTHER MINING LIMITED**CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**

(Expressed in thousands of US dollars - Unaudited)

	March 31, 2022	December 31, 2021
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 33,374	\$ 47,692
Restricted cash	162	159
Trade and other receivables (note 3)	22,179	14,718
Inventories (note 4)	27,195	25,112
Other current assets (note 5)	7,675	4,278
	90,585	91,959
Other receivables (note 3)	3,641	8,317
Mineral properties, plant and equipment (note 6)	153,516	119,168
Exploration and evaluation assets (note 7)	26,046	27,303
Other assets (note 8)	16,431	17,296
	\$ 290,219	\$ 264,043
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Trade payables and accrued liabilities (note 9(a))	\$ 56,953	\$ 48,736
Current portion of borrowings (note 10)	50,209	42,614
Reclamation and remediation provisions – current	1,572	406
	108,734	91,756
Other liabilities (note 9(b))	10,967	2,967
Borrowings (note 10)	2,500	6,329
Reclamation and remediation provisions	68,267	70,464
Deferred tax liabilities	4,963	4,536
	195,431	176,052
Shareholders' equity:		
Share capital (note 12)	294,481	291,561
Reserves	20,206	7,444
Deficit	(219,899)	(211,014)
	94,788	87,991
	\$ 290,219	\$ 264,043

The accompanying notes are an integral part of these consolidated financial statements.

Going concern (note 2(b))

Commitments and contingencies (note 18)

Subsequent events (notes 3(a) and 12(e))

Approved by the Board of Directors

"Alan Hair"

Alan Hair, Director

"Dana Williams"

Dana Williams, Director

GREAT PANTHER MINING LIMITED**CONDENSED INTERIM CONSOLIDATED STATEMENTS OF INCOME (LOSS)**

(Expressed in thousands of US dollars, except per share amounts - Unaudited)

For the three months ended March 31, 2022, and 2021

	Three months ended March 31,	
	2022	2021
Revenue (note 13)	\$ 33,431	\$ 52,570
Cost of sales		
Production costs (note 14)	31,149	32,744
Amortization and depletion	5,653	8,797
	36,802	41,541
Mine operating earnings (loss)	(3,371)	11,029
General and administrative expenses (note 15)	3,110	4,387
Exploration, evaluation, and development expenses		
Exploration and evaluation expenses (note 16)	2,379	2,612
Mine development costs	—	889
Change in reclamation and remediation provisions	(49)	(5)
	2,330	3,496
Care and maintenance costs	1,651	—
Operating earnings (loss)	(10,462)	3,146
Finance and other income (expense)		
Finance income	65	68
Finance expense	(899)	(868)
Other income (expense) (note 17)	2,411	(2,326)
	1,577	(3,126)
Income (loss) before income taxes	(8,885)	20
Income tax expense	—	351
Net loss for the period	\$ (8,885)	\$ (331)
Loss per share – basic (note 12(d))	\$ (0.02)	\$ (0.00)
Loss per share – diluted (note 12(d))	\$ (0.02)	\$ (0.00)

The accompanying notes are an integral part of these consolidated financial statements.

GREAT PANTHER MINING LIMITED**CONDENSED INTERIM CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)**

(Expressed in thousands of US dollars - Unaudited)

For the three months ended March 31, 2022, and 2021

	Three months ended March 31,	
	2022	2021
Net loss for the period	\$ (8,885)	\$ (331)
Other comprehensive income (loss) ("OCI"), net of tax		
Foreign currency translation	12,897	(7,575)
Change in fair value of financial assets designated as fair value through OCI	(18)	—
	12,879	(7,575)
Total comprehensive income (loss) for the period	\$ 3,994	\$ (7,906)

The accompanying notes are an integral part of these consolidated financial statements.

GREAT PANTHER MINING LIMITED

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (Expressed in thousands of US dollars, except number of common shares - Unaudited)

For the three months ended March 31, 2022, and 2021

	Share capital		Reserves				Total shareholders' equity
	Number of common shares (000s)	Amount	Share options and warrants	Foreign currency translation	Fair value	Total reserves	
Balance, January 1, 2021	355,033	\$ 268,872	\$ 21,815	\$ (10,029)	\$ (182)	\$ 11,604	\$ 111,703
Restricted and deferred share units settled	38	37	(37)	-	-	(37)	-
Share options exercised	6	7	(2)	-	-	(2)	5
Share-based compensation	-	-	589	-	-	589	589
Comprehensive income (loss)	-	-	-	(7,575)	-	(7,575)	(7,906)
Balance, March 31, 2021	355,077	\$ 268,916	\$ 22,365	\$ (17,604)	\$ (182)	\$ 4,579	\$ 104,391
Balance, January 1, 2022	445,449	\$ 291,561	\$ 22,702	\$ (14,830)	\$ (428)	\$ 7,444	\$ 87,991
Shares issued for financings, net of issuance costs (note 12(e))	12,729	2,660	-	-	-	-	2,660
Restricted and deferred share units settled	612	260	(260)	-	-	(260)	-
Share-based compensation	-	-	143	-	-	143	143
Comprehensive income (loss)	-	-	-	12,897	(18)	12,879	3,994
Balance, March 31, 2022	458,790	\$ 294,481	\$ 22,585	\$ (1,933)	\$ (446)	\$ 20,206	\$ 94,788

The accompanying notes are an integral part of these consolidated financial statements.

GREAT PANTHER MINING LIMITED**CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS**

(Expressed in thousands of US dollars - Unaudited)

For the three months ended March 31, 2022, and 2021

	Three months ended March 31,	
	2022	2021
Cash flows from operating activities:		
Net loss for the period	\$ (8,885)	\$ (331)
Items not involving cash:		
Amortization and depletion	5,802	8,906
Change in reclamation and remediation provision	(49)	(5)
Loss on derivative instruments	—	572
Unrealized foreign exchange gain	(3,004)	(185)
Income tax expense (recovery)	—	351
Share-based compensation	143	589
Other items (note 19(a))	1,907	1,423
Interest received	65	68
Interest paid	(387)	(452)
Settlement of derivative instruments	—	(3,546)
Income taxes paid	(101)	(101)
	(4,509)	7,289
Net change in operating assets and liabilities:		
Trade and other receivables	(1,362)	1,687
Inventories	979	(2,691)
Other current assets	(2,290)	(2,463)
Trade payables and accrued liabilities	(1,436)	(1,494)
Net cash provided by (used in) operating activities	(8,618)	2,328
Cash flows from investing activities:		
Cash restricted for Coricancha environmental bond	—	(2)
Additions to mineral properties, plant and equipment	(11,508)	(12,990)
Net cash used in investing activities	(11,508)	(12,992)
Cash flows from financing activities:		
Proceeds from issuance of common shares (note 12(e))	2,754	—
Share issuance costs	(94)	—
Payment of lease liabilities	(1,546)	(1,456)
Proceeds from borrowings	6,320	2,650
Repayment of borrowings	(2,927)	(8,442)
Proceeds from exercise of share options	—	5
Net cash provided by (used in) financing activities	4,507	(7,243)
Effect of foreign currency translation on cash and cash equivalents	1,301	(25)
Decrease in cash and cash equivalents	(14,318)	(17,932)
Cash and cash equivalents, beginning of period	47,692	63,396
Cash and cash equivalents, end of period	\$ 33,374	\$ 45,464

The accompanying notes are an integral part of these consolidated financial statements.

Supplemental cash flow information (note 19)

GREAT PANTHER MINING LIMITED

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
(Tabular amounts expressed in thousands of US dollars, except where otherwise noted)

As at and for the three months ended March 31, 2022, and 2021 (Unaudited)

1. NATURE OF OPERATIONS

Great Panther Mining Limited ("Great Panther" or the "Company") is a public company listed on the Toronto Stock Exchange ("TSX") trading under the symbol GPR, and on the NYSE American trading under the symbol GPL and is incorporated and domiciled in Canada. The Company's registered and records office is located at 1330 – 200 Granville Street, Vancouver, BC.

The Company has three wholly owned mining operations including the Tucano gold mine ("Tucano"), which produces gold doré and is located in Amapá State in northern Brazil. In Mexico, Great Panther operates the Topia mine ("Topia") in the state of Durango, which produces concentrates containing silver, gold, lead and zinc, and the Guanajuato Mine Complex (the "GMC") in the state of Guanajuato. The GMC comprises the Guanajuato mine ("Guanajuato"), the San Ignacio mine ("San Ignacio") and the Cata processing plant, which produces silver and gold concentrates. The Company placed the GMC on care and maintenance (Guanajuato and Cata processing plant in November 2021 and the San Ignacio mine in early January 2022) while awaiting permits to extend the tailings facility or find other alternatives to maximize the value of the GMC.

The Company also wholly owns the Coricancha Mine Complex ("Coricancha"), a gold-silver-copper-lead-zinc mine and processing facility in the central Andes of Peru, approximately 90 kilometres east of Lima. Coricancha was acquired by the Company in June 2017, having been placed on care and maintenance by its previous owner in August 2013. The Company is evaluating its options with respect to the Coricancha mine.

The Company has a portfolio of exploration projects. The El Horcón property is located 100 kilometres by road northwest of Guanajuato, Santa Rosa is located 15 kilometres northeast of Guanajuato, and the Plomo property is located in Sonora, Mexico.

These condensed interim consolidated financial statements ("consolidated financial statements") have been prepared on a going concern basis, which contemplates the continuity of normal business activity and the realization of assets and the settlement of liabilities in the normal course of business.

2. BASIS OF PREPARATION AND GOING CONCERN

(a) Basis of preparation

These condensed interim consolidated financial statements have been prepared in accordance with International Accounting Standard 34 Interim Financial Reporting ("IAS 34") using accounting policies consistent with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). These should be read in conjunction with the Company's most recent annual consolidated financial statements as at and for the year ended December 31, 2021. The accounting policies and critical estimates applied by the Company in these condensed interim consolidated financial statements are the same as those applied in the most recent annual consolidated financial statements. These condensed interim consolidated financial statements do not include all the information required for full annual financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of changes in the Company's financial position and performance since the most recent annual consolidated financial statements.

These condensed interim consolidated financial statements were approved by the Company's Board of Directors on May 12, 2022.

(b) Going concern basis of accounting

The consolidated financial statements have been prepared on a going concern basis, which assumes that the Company will be able to meet its obligations as they become due. As of March 31, 2022, the Company has a net working capital deficit of \$18.1 million, including \$50.2 million of current borrowings. Included in current borrowings are \$24.2 million of unsecured bank facilities. Historically, the Company has generally

GREAT PANTHER MINING LIMITED

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
(Tabular amounts expressed in thousands of US dollars, except where otherwise noted)

As at and for the three months ended March 31, 2022, and 2021 (Unaudited)

been able to renew or replace the unsecured bank facilities but cannot provide assurance that it will do so in the future.

The Company has determined that it will require further financing and will consider additional equity financing, including through use of the At-the-Market Facility ("ATM Facility") and debt financing, in order to meet long-term objectives and improve working capital, fund planned capital investments and exploration programs for its operating mines, acquisitions and meet scheduled debt repayment obligations.

Adverse movement in metal prices, unforeseen impacts to the Company's operation, and the inability to renew or extend existing credit facilities that become due may increase the need to raise new external sources of capital, and the inability to access sources of capital could adversely impact the Company's liquidity and require the Company to curtail capital and exploration program and other discretionary expenditures.

The Company has determined that the factors above indicate the existence of material uncertainty over the Company's ability to meet its obligations in the next 12 months, which creates substantial doubt about the Company's ability to continue as a going concern.

If for any reason the Company is unable to continue as a going concern, this could have a material impact on the Company's ability to realize assets at their recognized values, in particular mineral properties, plant and equipment, and to extinguish liabilities in the normal course of business at the amounts stated in the consolidated financial statements.

3. TRADE AND OTHER RECEIVABLES

	March 31, 2022	December 31, 2021
Current		
Trade receivables	\$ 3,115	\$ 2,061
Value-added tax receivable	2,568	3,217
PIS / COFINS – Brazil (a)	15,612	8,171
Judicial deposits – Brazil	280	281
Other	604	988
	22,179	14,718
Non-Current		
PIS / COFINS – Brazil (a)	474	5,613
Income taxes recoverable – Brazil	3,167	2,704
	\$ 3,641	\$ 8,317

(a) PIS/COFINS

The PIS (Program of Social Integration) and COFINS (Contribution for the Financing of Social Security) are Brazilian federal taxes that apply to all companies in the private sector. PIS is a mandatory employer contribution to an employee savings initiative, and COFINS is a contribution to finance the social security system. Companies are required to calculate and remit PIS and COFINS based on monthly gross revenues. The Company's Brazilian gold sales are zero-rated for PIS/COFINS purposes; however, the current legislation allows for input tax credits to offset the amounts due by applying rates of 1.65% for PIS and 7.65% for COFINS, respectively, to some of the purchases in Brazil. As such, the Company has PIS/COFINS credits recorded as receivables.

Subsequent to March 31, 2022, the Company has received PIS/COFINS refunds totaling \$7.4 million.

GREAT PANTHER MINING LIMITED

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
(Tabular amounts expressed in thousands of US dollars, except where otherwise noted)

As at and for the three months ended March 31, 2022, and 2021 (Unaudited)

4. INVENTORIES

	March 31, 2022	December 31, 2021
Concentrate	\$ 668	\$ 707
Ore stockpiles	924	1,510
Materials and supplies	21,836	19,276
Gold in circuit	1,568	1,282
Gold doré	2,199	2,337
	\$ 27,195	\$ 25,112

During the three months ended March 31, 2022, the inventory recognized as cost of sales was \$36.5 million (2021 – \$39.4 million), which includes production costs and amortization and depletion directly attributable to the inventory production process.

5. OTHER CURRENT ASSETS

	March 31, 2022	December 31, 2021
Prepaid expenses and deposits	\$ 4,400	\$ 2,017
Reimbursement rights (note 8(a))	2,932	1,918
Other current assets	343	343
	\$ 7,675	\$ 4,278

GREAT PANTHER MINING LIMITED

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
(Tabular amounts expressed in thousands of US dollars, except where otherwise noted)

As at and for the three months ended March 31, 2022, and 2021 (Unaudited)

6. MINERAL PROPERTIES, PLANT AND EQUIPMENT

	Mineral properties – depletable	Mineral properties – non depletable	Plant and equipment	Land and buildings	Furniture, fixtures and equipment	Right-of- use assets	Total
Cost							
Balance, January 1, 2022	\$118,455	\$ 31,540	\$ 78,736	\$25,945	\$ 5,599	\$ 20,557	\$ 280,832
Additions	8,929	–	971	1,606	2	11,280	22,788
Change in remediation provision	(2,950)	–	(659)	–	–	–	(3,609)
Foreign exchange translation difference	14,587	5,610	6,337	4,216	87	4,769	35,606
Balance, March 31, 2022	\$139,021	\$ 37,150	\$ 85,385	\$31,767	\$ 5,688	\$ 36,606	\$335,617
Accumulated depreciation							
Balance, January 1, 2022	\$ 69,399	\$ –	\$ 60,337	\$11,478	\$ 5,110	\$ 15,340	\$ 161,664
Amortization and depletion	1,882	–	985	293	50	2,241	5,451
Foreign exchange translation difference	6,104	–	4,444	1,742	58	2,638	14,986
Balance, March 31, 2022	\$ 77,385	\$ –	\$ 65,766	\$13,513	\$ 5,218	\$ 20,219	\$ 182,101
Carrying value, March 31, 2022	\$ 61,636	\$ 37,150	\$ 19,619	\$18,254	\$ 470	\$ 16,387	\$ 153,516

(a) Leases

(i) Right-of-use assets

	Mining equipment	Power generators	Vehicles	Office & communication	Land easements	Total
Balance, January 1, 2022	\$ 2,657	\$ 1,059	\$ 162	\$ 248	\$ 1,091	\$ 5,217
Additions	11,280	–	–	–	–	11,280
Amortization and depletion	(1,652)	(351)	(123)	(62)	(53)	(2,241)
Foreign exchange translation difference	1,887	118	132	(6)	–	2,131
Balance, March 31, 2022	\$ 14,172	\$ 826	\$ 171	\$ 180	\$ 1,038	\$ 16,387

(ii) Lease liabilities

	March 31, 2022	December 31, 2021
Maturity analysis – contractual undiscounted cash flows		
Less than one year	\$ 10,549	\$ 5,538
One to five years	11,519	2,810
More than five years	148	151
Total undiscounted lease liabilities	22,216	8,499
Lease liabilities in the Consolidated Statement of Financial Position	19,918	8,157
Current (note 9(a))	9,142	5,381
Non-current (note 9(b))	\$ 10,776	\$ 2,776

GREAT PANTHER MINING LIMITED

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
(Tabular amounts expressed in thousands of US dollars, except where otherwise noted)

As at and for the three months ended March 31, 2022, and 2021 (Unaudited)

Effective January 01, 2022, the Company entered into a mining services contract with Transportes e Construccoes S.A. ("MINAX") with a three-year term that contains both lease and non-lease components under IFRS 16. The present value of the payments related to the lease component of \$10.9 million were recognized at the commencement date of the contract.

(iii) Amount recognized in the Consolidated Statements of Comprehensive Income

	Three months ended March 31,	
	2022	2021
Interest on lease liabilities	\$ 266	\$ 215
Variable lease payments not included in the measurement of lease liabilities	11,613	13,085
Expenses relating to short-term leases	2,056	6,521

The Company has elected to apply the practical expedient not to recognize right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets.

7. EXPLORATION AND EVALUATION ASSETS

	Santa Rosa Property	El Horcón Property	Coricancha	Tucano	Total
Balance, January 1, 2022	\$ 988	\$ 1,124	\$ 24,980	\$ 211	\$ 27,303
Change in reclamation and remediation provision	—	—	(1,293)	—	(1,293)
Foreign exchange translation difference	—	—	—	36	36
Balance, March 31, 2022	\$ 988	\$ 1,124	\$ 23,687	\$ 247	\$ 26,046

8. OTHER ASSETS

	March 31, 2022	December 31, 2021
Reimbursement rights (a)	\$ 11,921	\$ 12,792
Restricted cash	4,510	4,504
	\$ 16,431	\$ 17,296

(a) Reimbursement rights

Pursuant to the acquisition of Coricancha, the vendors, Nyrstar International B.V. and Nyrstar Netherlands (Holdings) B.V. (together "Nyrstar") and their parent company (at the time of the acquisition, Nyrstar N.V. and subsequently replaced by NN2 Newco Limited), agreed to reimburse the Company for:

- the cost of movement and reclamation of certain legacy tailings facilities should the regulatory authorities require these to be moved, up to a maximum of \$20.0 million; and
- all fines or sanctions that arise before or after closing resulting from activities or ownership of Coricancha prior to June 30, 2017, up to a maximum of \$4.0 million.

GREAT PANTHER MINING LIMITED

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
(Tabular amounts expressed in thousands of US dollars, except where otherwise noted)

As at and for the three months ended March 31, 2022, and 2021 (Unaudited)

9. TRADE PAYABLES AND ACCRUED LIABILITIES AND OTHER LIABILITIES

(a) Trade payables and accrued liabilities

	March 31, 2022	December 31, 2021
Trade payables	\$ 19,815	\$ 17,137
Accrued liabilities	22,621	20,722
Taxes payable	3,250	3,250
Lease liabilities	9,142	5,381
Other payables	2,125	2,246
	\$ 56,953	\$ 48,736

(b) Other liabilities

	March 31, 2022	December 31, 2021
Lease liabilities	\$ 10,776	\$ 2,776
Accrued liabilities	191	191
	\$ 10,967	\$ 2,967

10. BORROWINGS

	Unsecured bank facilities	Bradesco	Samsung	Asahi	Total
Balance, January 1, 2022	\$ 22,848	\$ 1,239	\$ 4,971	\$ 19,885	\$ 48,943
Borrowings	3,820	2,500	—	—	6,320
Interest accrued	304	44	109	286	743
Principal repayments	(2,650)	(278)	—	—	(2,928)
Interest payments	(101)	(17)	—	(251)	(369)
Balance, March 31, 2022	\$ 24,221	\$ 3,488	\$ 5,080	\$ 19,920	\$ 52,709
Current	\$ 24,221	\$ 988	\$ 5,080	\$ 19,920	\$ 50,209
Non-current	\$ —	\$ 2,500	\$ —	\$ —	\$ 2,500

(a) Unsecured bank facilities

The Company has unsecured, revolving, interest-bearing bank facilities totalling \$23.7 million. The unsecured bank facilities are denominated in US dollars ("USD") and are interest bearing at a weighted average fixed interest rate of 5.31% per annum and are repayable through March 2023.

(b) Bradesco

On March 11, 2020, the Company received a USD denominated loan from Bradesco in the amount of \$10.0 million, with net loan proceeds of \$2.5 million as \$7.5 million is required to be retained as cash collateral. The loan matures on February 24, 2023 and is required to be repaid in nine quarterly repayments of \$1.1

GREAT PANTHER MINING LIMITED

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
(Tabular amounts expressed in thousands of US dollars, except where otherwise noted)

As at and for the three months ended March 31, 2022, and 2021 (Unaudited)

million commencing March 5, 2021. The return of the cash collateral will be proportionate to the quarterly loan repayments, resulting in net quarterly repayments of \$0.3 million commencing March 5, 2021. The loan principal bears interest at 3.7% per annum, and the cash collateral earns interest at rates from 1.55% to 2.40% per annum. At March 31, 2022, the principal balance outstanding is \$4.4 million (December 31, 2021 – \$5.6 million). Cash collateral of \$3.3 million (December 31, 2021 – \$4.2 million) has been netted against the outstanding principal balance.

On February 16, 2022, the Company received a USD denominated loan from Bradesco in the amount of \$5.0 million, with net loan proceeds of \$2.5 million as \$2.5 million is required to be retained as cash collateral. The loan matures on January 31, 2025 and is required to be repaid in eight quarterly repayments of \$0.6 million commencing May 12, 2023. The return of the cash collateral will be proportionate to the quarterly loan repayments, resulting in net quarterly repayments of \$0.3 million commencing May 12, 2023. The loan principal bears interest at 4.09% per annum, and the cash collateral earns interest at rates of 2.00% per annum. At March 31, 2022, the principal balance outstanding is \$5.0 million (December 31, 2021 – nil). Cash collateral of \$2.5 million (December 31, 2021 – nil) has been netted against the outstanding principal balance.

(c) Samsung

The Company entered into a \$5.0 million lead concentrate prepayment agreement with Samsung (the "Samsung Lead Advance") on September 21, 2021, and on November 2, 2021, the conditions precedent to funding which included the completion of a pledge of the shares of Great Panther's Mexican subsidiary, Minera Mexicana El Rosario S.A. de C.V. ("MMR") were satisfied and funds were received. Under the Concentrate Agreement, Samsung agreed to advance a \$5 million prepayment, net of transaction costs, to MMR in consideration for exclusive offtake of the lead concentrate production from the Topia Mine, up to a maximum contract quantity of 5,400 tonnes representing approximately 21 months of production from the mine. The Samsung Lead Advance will be repaid in twelve equal monthly instalments commencing in April 2022 and bears interest at an annual rate of 3-month USD LIBOR plus 6.5%. MMR has a full option for early repayment of the Samsung Lead Advance, subject to a 3% penalty applied to the outstanding balance.

(d) Asahi

On September 21, 2021, the Company entered into a \$20 million gold doré prepayment agreement with Asahi (the "Asahi Advance"). The Asahi Advance is repayable in twelve equal monthly instalments of \$1.7 million commencing in April 2022. The Advance bears interest at an annual rate of 1-month USD LIBOR plus 4.75% and is secured by a pledge of all equity interests in Great Panther's Brazilian subsidiary that owns Tucano. Great Panther has a full option for early repayment of the Advance, subject to a 3% penalty applied to the outstanding balance. Asahi is provided exclusivity on refining and will purchase 100% of Tucano gold production during the term of the agreement. Tucano will sell the equivalent volume of gold equal to the \$1.7 million principal repayment at a 0.5% discount to the spot price at the time of sale and the remainder of the production will be sold at spot prices.

11. FINANCIAL INSTRUMENTS

At March 31, 2022, the fair value of the Company's long-term borrowings approximates their carrying values measured based on level 2 of the fair value hierarchy.

The fair value of other financial instruments approximates their carrying values due to their short-term nature.

GREAT PANTHER MINING LIMITED

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
(Tabular amounts expressed in thousands of US dollars, except where otherwise noted)

As at and for the three months ended March 31, 2022, and 2021 (Unaudited)

12. SHARE CAPITAL**(a) Share options**

	Three months ended March 31,			
	2022		2021	
	Options (000's)	Weighted average exercise price	Options (000's)	Weighted average exercise price
Outstanding, January 1	6,854	C\$ 0.87	9,709	C\$ 1.00
Granted	9,940	0.29	2,340	1.04
Forfeited/Expired	(1,650)	0.90	(374)	1.19
Exercised	—	—	(6)	1.04
Outstanding, March 31	15,144	C\$ 0.49	11,669	C\$ 1.00
Exercisable, March 31	2,035	C\$ 1.04	3,391	C\$ 1.61

Range of exercise prices	Options outstanding (000's)	Weighted average remaining contractual life (years)	Options exercisable (000's)	Weighted average exercise price
C\$0.29 to \$0.53	9,882	4.92	—	C\$ —
C\$0.54 to \$0.62	2,387	3.03	522	0.54
C\$0.63 to \$1.10	2,233	3.38	911	1.00
C\$1.11 to \$1.63	642	1.09	602	1.52
	15,144	4.30	2,035	C\$ 1.04

During the three months ended March 31, 2022, the Company recorded share-based compensation expense relating to share options of \$nil million (2021 – \$0.2 million).

The weighted average fair value of options granted during the three months ended March 31, 2022, was C\$0.14 (2021 – C\$0.49). The grant date fair value of share options granted during the three months ended March 31, 2022 and 2021 was determined using a Black Scholes option pricing model using the following weighted average assumptions:

	2022	2021
Risk-free interest rate	1.39%	0.54%
Expected life (years)	2.97	3.14
Annualized volatility	76%	71%
Forfeiture rate	25%	20%

The annualized volatility assumption is based on the historical volatility of the Company's common share price on the Toronto Stock Exchange. The risk-free interest rate assumption is based on government bonds with a remaining term equal to the expected life of the options.

GREAT PANTHER MINING LIMITED

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
(Tabular amounts expressed in thousands of US dollars, except where otherwise noted)

As at and for the three months ended March 31, 2022, and 2021 (Unaudited)

(b) Restricted share units ("RSUs"), Performance based restricted share unit ("PSUs") and Deferred share units ("DSUs")

The following table summarizes information about the RSUs outstanding at March 31, 2022 and 2021:

	Three months ended March 31,			
	2022		2021	
	Number of units	Weighted average grant date fair value (\$/unit)	Number of units	Weighted average grant date fair value (\$/unit)
Balance at January 1	1,477,475	C\$ 0.82	1,911,434	C\$ 0.70
Granted	2,696,738	0.29	776,270	1.04
Settled	(113,405)	0.34	(37,867)	1.41
Cancelled	(384,956)	0.83	(109,400)	0.65
Outstanding at March 31	3,675,852	C\$ 0.45	2,540,437	C\$ 0.80

The following table summarizes information about the PSUs outstanding at March 31, 2022 and 2021:

	Three months ended March 31,			
	2022		2021	
	Number of units	Weighted average grant date fair value (\$/unit)	Number of units	Weighted average grant date fair value (\$/unit)
Balance at January 1	1,827,054	C\$ 0.82	1,904,500	C\$ 0.70
Granted	2,163,379	0.29	780,968	1.04
Cancelled	(494,739)	0.80	(94,400)	0.58
Outstanding at March 31	3,495,694	C\$ 0.50	2,591,068	C\$ 0.80

The fair value of PSU was measured based on the fair value at the grant date using the Monte Carlo simulation technique on stock prices.

The following table summarizes information about the DSUs outstanding at March 31, 2022, and 2021:

	Three months ended March 31,			
	2022		2021	
	Number of units	Weighted average grant date fair value (\$/unit)	Number of units	Weighted average grant date fair value (\$/unit)
Balance at January 1	2,777,243	C\$ 0.76	2,420,189	C\$ 0.78
Granted	1,315,757	0.28	341,559	1.04
Settled	(498,080)	0.28	—	—
Outstanding at March 31	3,594,920	C\$ 0.65	2,761,748	C\$ 0.81

During the three months ended March 31, 2022, the Company recorded share-based compensation expense relating to RSUs, PSUs, and DSUs of \$0.1 million (2021 – \$0.4 million).

GREAT PANTHER MINING LIMITED

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(c) Share purchase warrants

The Company has issued 9,749,727 share purchase warrants at an exercise price of \$1.317 per share. 6,321,695 share purchase warrants have an expiry date of May 17, 2022, and 3,428,032 share purchase warrants have an expiry date of June 27, 2022.

(d) Earnings (loss) per share

	Three months ended March 31,	
	2022	2021
Income (loss) attributable to equity owners	\$ (8,885)	\$ (331)
Weighted average number of shares ('000's)	448,748	355,067
Earnings (loss) per share – basic and diluted	\$ (0.02)	\$ (0.00)

Anti-dilutive share purchase options, warrants, deferred share units, restricted share units and performance share units have not been included in the diluted earnings per share calculation.

(e) Financings

On October 15, 2021, the Company entered into an At-the-Market Offering Agreement (the "ATM Agreement"), pursuant to which the Company may issue up to \$25.0 million at prevailing market prices during the term of the ATM Agreement (the "ATM Facility"). During the three months ended March 31, 2022, the Company issued 12,729,235 common shares under the ATM Facility and received net proceeds of \$2.7 million. Subsequent to March 31, 2022 to May 12, 2022, the Company has issued an additional 13,936,403 common shares under the ATM Facility and received net proceeds of \$3.1 million.

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13. REVENUE

The Company generates revenue primarily from the sale of precious metals, consisting of metal concentrates and refined gold.

In the following table, revenue is disaggregated by the geographic location of the Company's mines and major products.

	Three months ended March 31,					
	2022			2021		
	Brazil	Mexico	Total	Brazil	Mexico	Total
Gold	\$ 27,128	\$ 432	\$ 27,560	\$ 40,455	\$ 3,270	\$ 43,725
Silver	51	3,765	3,816	81	8,090	8,171
Lead	—	813	813	—	855	855
Zinc	—	1,746	1,746	—	1,245	1,245
Smelting and refining charges	(7)	(833)	(840)	(13)	(1,224)	(1,237)
Revenue from contracts with customers	\$ 27,172	\$ 5,923	\$ 33,095	\$ 40,523	\$ 12,236	\$ 52,759
Changes in fair value from provisional pricing	—	336	336	—	(189)	(189)
Total revenue	\$ 27,172	\$ 6,259	\$ 33,431	\$ 40,523	\$ 12,047	\$ 52,570

At March 31, 2022, the Company had \$3.4 million in revenue subject to provisional pricing in relation to the sale of concentrates.

14. PRODUCTION COSTS

	Three months ended March 31,	
	2022	2021
Raw materials and consumables	\$ 14,346	\$ 14,698
Salaries and employee benefits	4,581	4,972
Contractors	9,624	11,727
Repairs and maintenance	342	371
Site administration	888	1,251
Royalties	732	1,119
Mining duties	20	54
Share-based compensation	65	100
	30,598	34,292
Change in inventories	551	(1,548)
Total production costs	\$ 31,149	\$ 32,744

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NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
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15. GENERAL AND ADMINISTRATIVE EXPENSES

	Three months ended March 31,	
	2022	2021
Salaries and employee benefits	\$ 985	\$ 1,911
Professional fees	445	289
Office and other expenses	1,489	1,627
Amortization	149	109
Share-based compensation	42	451
Total general and administrative expenses	\$ 3,110	\$ 4,387

16. EXPLORATION AND EVALUATION EXPENSES

	Three months ended March 31,	
	2022	2021
Salaries and employee benefits	\$ 550	\$ 547
Raw materials and consumables	448	336
Contract services	841	1,140
Office and other expenses	504	551
Share-based compensation	36	38
Total exploration and evaluation expenses	\$ 2,379	\$ 2,612

17. OTHER INCOME (EXPENSE)

	Three months ended March 31,	
	2022	2021
Accretion expense	\$ (1,073)	\$ (623)
Loss on derivative instruments	—	(572)
Foreign exchange gain (loss)	3,954	(864)
Other expense	(470)	(267)
	\$ 2,411	\$ (2,326)

18. COMMITMENTS AND CONTINGENCIES**(a) Commitments**

As at March 31, 2022, the Company had the following commitments:

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As at and for the three months ended March 31, 2022, and 2021 (Unaudited)

	Total	1 year	2-3 years	4-5 years	Thereafter
Operating lease payments	\$ 1	\$ 1	\$ –	\$ –	\$ –
Drilling services	20	20	–	–	–
Equipment purchases	370	370	–	–	–
Total commitments	\$ 391	\$ 391	\$ –	\$ –	\$ –

In June 2020, Nyrstar agreed to extend its requirement to post remediation bond obligations as security for closure costs at Coricancha beyond the original June 30, 2020 expiry date. Nyrstar will maintain a \$7.0 million bond (previously \$9.7 million) until June 30, 2021 and \$6.5 million for the following year, effectively deferring Great Panther's funding requirements for these amounts until June 30, 2022, unless Great Panther decides to permanently close Coricancha. As at March 31, 2022, the total bond amount required was \$10.9 million, of which Nyrstar is responsible for \$6.5 million and the Company is responsible for \$4.4 million.

If a decision to permanently close the mine is made, Nyrstar will fund closure costs up to the revised amount of its bond funding obligation, and the Company will be required to post the full amount of the required remediation bond with Peruvian government authorities. If no decision is made to permanently close Coricancha by June 30, 2022, then the Company will likewise be required to post the full amount of the required reclamation bond. Nyrstar's obligation to indemnify the Company for up to \$20.0 million for closure of Cancha 1 and 2 tailings storage facilities is not changed by the Company's decision regarding Coricancha's future operating plans.

On August 18, 2021, the Peruvian government introduced a new Mine Closure Law (Law No. 31347). The new law contemplates increases to the mine closure financial assurances applicable to all mining companies in Peru. Whereas previously, companies were required to provide financial assurance to cover "Final" and "Post-Closure" stages of the Mine Closure Plan, under the amended law the requirement is inclusive of "Progressive Closure" costs (i.e., closure activities during the operation of the mine) for the main components of the mine. The law does not provide details such as specific costs, or the timing of payment or form of collateral to be provided. In January 2022, draft regulations were published and allowed for a comment period from the mining industry. The Petroleum and Energy Society prepared a consolidated response to the regulations, to which the Company submitted comments. Prior to publication of the new regulations, the Company cannot estimate with certainty the amount or timing of incremental closure bond requirements for Coricancha or the impact of such requirements on the Company's liquidity.

(b) Contingencies

(i) Coricancha

Coricancha has been on care and maintenance since August 2013.

Fines and sanctions

Nyrstar has agreed to reimburse the Company for all fines or sanctions that resulted from activities or ownership of Coricancha prior to June 30, 2017, up to a maximum of \$4.0 million. Accordingly, a reimbursement right in the amount of \$1.5 million has been recorded in respect of fines or sanctions that have been levied by regulatory bodies in Peru.

The Company has accrued for and recorded a further reimbursement right of \$0.4 million for certain civil lawsuits filed by individuals and former suppliers.

Legacy tailings facilities

The Company has undertaken the reclamation of certain legacy tailings facilities at Coricancha. In addition, as part of the purchase of Coricancha, the Company has an agreement with Nyrstar for the reimbursement of the cost of these reclamation activities. The Company is seeking approval of a modification to a remediation plan in accordance with the recommendations of an independent consultant to preserve the stability of nearby areas by reclaiming the legacy tailings in situ. The

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Company is exposed to potential fines, penalties and regulatory action until the modification to the remediation plan is approved.

Peruvian Tax Matters

The Company's Peruvian subsidiary Great Panther Coricancha S.A. ("GPC") has received notice from SUNAT, the Peruvian tax authority, that SUNAT intends to hold GPC jointly liable with respect to the unpaid taxes of a leasing company that sold the Coricancha mining assets to GPC (formerly Compañía Minera San Juan S.A.) in March 2006, prior to the Company's acquisition of Coricancha effective June 30, 2017. The SUNAT claim is for unpaid taxes and related fines of the leasing company, which is not an affiliate of the Company, from its 2001 tax year, together with related fines. The amount claimed is approximately \$20 million.

The Company believes that the probability of the claim resulting in liability for GPC is remote and, as a consequence, has not recorded any contingency. The Company expects legal processes to take several years to reach a conclusion.

(ii) Tucano

a) Various claims related to Brazil indirect taxes and labour matters

The Company has various litigation claims from a number of governmental assessments pertaining to indirect taxes and labour disputes associated with former employees and contract labour in Brazil.

As of March 31, 2022, the items for which a loss was probable, inclusive of any related interest, amounted to approximately \$1.8 million, for which a provision was recognized (as of December 31, 2021 – \$1.4 million).

In connection with the above proceedings, a total of \$0.4 million (December 31, 2021 - \$0.3 million) of escrow cash deposits were made as of March 31, 2022. Generally, any escrowed amounts would be refundable to the extent the matters are resolved in the Company's favour.

b) Environmental fines and penalties and judicial claims

The Company is a defendant in various lawsuits and legal actions, including for alleged fines, in Brazil. Management regularly reviews these lawsuits and legal actions with outside counsel to assess the likelihood that the Company will incur a material cash outflow to settle the claim. To the extent management believes it is probable that a material cash outflow will be incurred to settle the claim, a provision for the estimated settlement amount is recorded. As at March 31, 2022, the total amount of claims was \$15.4 million and the Company has accrued \$4.1 million, representing the estimated settlement amount for claims where material future cash outflows are probable. A summary of the most significant claims is as follows:

i. Environmental damages - William Creek

In May 2009, the State of Amapá Public Prosecutor ("MPAP") filed a public civil action seeking payment for environmental damages caused to William Creek, as well as to other creeks located in the region of influence of Zamin Amapá Mineração ("Zamin") and Tucano mines. The alleged damage is related to the modification of the creek's riverbed, soiling and sedimentation. In January 2018, the Amapá State Court ordered Tucano to pay a fine of approximately \$1.3 million (BRL 6.0 million plus interest and inflation counted as from the date of the damage) to the State Environmental Fund. As at March 31, 2022, the updated value with interest and inflation is approximately \$4.1 million (BRL 19.5 million). The Company is in the process of appealing. Based on legal advice received, the Company has accrued the best estimate of the cost to settle the claim.

ii. Archaeological sites damage

In 2020, a settlement agreement was reached related to certain archaeological civil actions. Tucano agreed to provide BRL 8.0 million, no later than December 31, 2021, for implementation

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of socio-environmental measures in the local community. The settlement amount has been paid as at December 31, 2021.

In related proceedings, not covered by the settlement agreement, Tucano is in the process of appealing fines and damages arising in the Federal Court of Appeal. The likelihood of total loss is not considered probable based on legal advice received. However, the best estimate of the loss is less than the full amount claimed, and the Company has accrued the best estimate of costs to settle the claim.

iii. Cyanide usage

In October 2018, the public prosecutor's office of labour affairs for the State of Amapá filed a public civil action seeking payment for potential damages and medical costs in relation to the Company's employees' exposure to cyanide used in the processing of its gold. In August 2019, a regional labour court ordered Tucano to pay compensation of approximately BRL 4.0 million plus interest and inflation for these damages, in addition to surveillance and funding medical costs of any diseases to Tucano's internal and outsourced employees and former employees, and to stop using cyanide in its production process within one year from the final non-appealable decision on the proceedings. Tucano is in the process of appealing to a Federal Superior Labour Court all aspects of the regional labour court decision. In March 2020, it was accepted that the appeal, exclusively with respect to whether or not the use of cyanide may continue, be admitted for consideration by the Federal Superior Labour Court and the balance of the decision has not yet been accepted for consideration and is under appeal. Tucano is not aware of any circumstances of former or current employees who have suffered health consequences from exposure to cyanide at the Company's operations. In addition, the Company notes that the use of cyanide in the processing of gold is common in the industry within Brazil and is not prohibited by any federal law in Brazil and that the Company complies with proper safety standards in the use and handling of cyanide in its operations. The Company believes the claims are without merit. As the matter progresses, the Company will review its assessment.

iv. December 2021 SEMA Notices of Infraction

On December 30, 2021, the Company announced that it intended to file a defense to three Notices of Infraction (the "Notices") that were delivered by the Amapá State Environmental Agency ("SEMA") to Tucano on December 21, 2021. The Notices were issued in connection with SEMA's investigation of a fish mortality event at Areia and Silvestre Creeks, and its assertion that the incident was caused by a leak in a reclaimed water pipe at the Tucano mine site. The Notices impose aggregate fines of BRL 50 million (approximately \$10.6 million at March 31, 2022).

The Company has filed its defense with a position that there is no causal link between the incident and the Tucano mine and has applied for the cancellation of the infraction notices issued by SEMA.

19. SUPPLEMENTAL CASH FLOW INFORMATION

(a) Other items

	Three months ended March 31,	
	2022	2021
Accretion expense	\$ 1,073	\$ 623
Finance expense	899	868
Finance income	(65)	(68)
	\$ 1,907	\$ 1,423

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As at and for the three months ended March 31, 2022, and 2021 (Unaudited)

(b) Non-cash investing and financing activities

	Three months ended March 31,	
	2022	2021
Change in reclamation and remediation provision included within mineral properties, plant and equipment and exploration and evaluation assets	\$ (4,902)	\$ 322
Change in lease liability related to right-of-use assets	11,280	2,288

20. OPERATING SEGMENTS

The Company's operations are all within the mining sector, consisting of three operating segments, two of which are located in Mexico, one of which is located in Brazil, plus one segment associated with Coricancha in Peru, one Exploration segment and one Corporate segment. Due to diversities in geography and production processes, the Company operates Tucano, the GMC and Topia mines separately, with separate budgeting and evaluation of results of operations and exploration activities. The Coricancha segment contains the net assets associated with Coricancha, and the cost of its exploration, evaluation and development activities are separately budgeted and reported. The Corporate segment provides financial, human resources and technical support to the three mining operations and Coricancha. The GMC, currently on care and maintenance, produces silver and gold in concentrate, and the Topia operation produces silver, gold, lead and zinc in concentrate for refining off-site. The Tucano operation produces gold doré. The Exploration segment includes the Company's mineral exploration and evaluation assets at Santa Rosa, El Horcón, and Plomo.

	Operations						Total
	Tucano	GMC	Topia	Coricancha	Exploration	Corporate	
Three months ended March 31, 2022							
External revenue	\$ —	\$ —	\$ 6,259	\$ —	\$ —	\$ 27,172	\$ 33,431
Intersegment revenue	25,343	—	—	—	—	(25,343)	—
Amortization and depletion	3,926	413	1,319	80	—	64	5,802
Exploration and evaluation expenses	19	130	369	1,582	113	166	2,379
Care and maintenance costs	—	1,651	—	—	—	—	1,651
Finance income	30	—	—	—	—	35	65
Finance expense	407	—	—	85	—	407	899
Income (loss) before income taxes	(1,790)	(2,612)	(362)	(1,927)	(165)	(2,029)	(8,885)
Net income (loss)	(1,790)	(2,612)	(362)	(1,927)	(165)	(2,029)	(8,885)
As at March 31, 2022							
Total assets	\$188,707	\$ 4,216	\$ 16,401	\$ 46,346	\$ 2,154	\$ 32,395	\$ 290,219
Total liabilities	\$100,121	\$ 18,493	\$ 2,062	\$ 44,663	\$ 10	\$ 30,082	\$ 195,431

GREAT PANTHER MINING LIMITED

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
(Tabular amounts expressed in thousands of US dollars, except where otherwise noted)

As at and for the three months ended March 31, 2022, and 2021 (Unaudited)

	Operations			Coricancha	Exploration	Corporate	Total
	Tucano	GMC	Topia				
Three months ended							
March 31, 2021							
External revenue	\$ —	\$ 5,849	\$ 6,198	\$ —	\$ —	\$ 40,523	\$ 52,570
Intersegment revenue	40,107	—	—	—	—	(40,107)	—
Amortization and depletion	7,845	128	827	42	—	64	8,906
Exploration and evaluation expenses	100	792	124	1,359	116	121	2,612
Care and maintenance costs	—	—	—	—	—	—	—
Finance income	39	—	—	3	—	26	68
Finance expense	640	—	—	92	—	136	868
Income (loss) before income taxes	7,137	(1,344)	535	(1,805)	(96)	(4,407)	20
Income tax expense	135	148	68	—	—	—	351
Net income (loss)	7,002	(1,492)	467	(1,805)	(96)	(4,407)	(331)
As at March 31, 2021							
Total assets	\$ 162,391	\$ 5,942	\$ 16,024	\$ 44,017	\$ 2,121	\$ 27,859	\$258,354
Total liabilities	\$ 77,190	\$ 16,688	\$ 2,384	\$ 43,181	\$ 510	\$ 14,010	\$153,963

This is **Exhibit "O"** referred to in the Affidavit of **Sandra Daycock**, affirmed before me at Vancouver, British Columbia, this 28th day of September, 2022.

A handwritten signature in blue ink, consisting of a series of fluid, connected strokes.

A Commissioner for Oaths for
the Province of British Columbia



**GREAT PANTHER MINING LIMITED
CONSOLIDATED FINANCIAL STATEMENTS**

**FOR THE YEARS ENDED
DECEMBER 31, 2021, and 2020**

Expressed in US Dollars

GREAT PANTHER MINING LIMITED

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The preparation and presentation of the accompanying consolidated financial statements and Management's Discussion and Analysis ("MD&A") are the responsibility of management and have been approved by the Board of Directors of Great Panther Mining Limited (the "Company").

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board. They include certain amounts that are based on estimates and judgments of management. Financial information presented in the MD&A is consistent with that contained in the consolidated financial statements.

Management is responsible for establishing and maintaining adequate internal control over financial reporting. Under the supervision and with the participation of the Company's Chief Executive Officer and Chief Financial Officer, management has a process in place to evaluate internal control over financial reporting based on the criteria established by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO 2013"), the Internal Control-Integrated Framework. We, as Interim Chief Executive Officer and Chief Financial Officer, will certify our annual filings with the CSA and SEC as required in Canada by National Instrument 52-109 and in the United States as required by the Securities Exchange Act of 1934.

The Company's Audit Committee is appointed by the Board of Directors annually and is comprised of four independent directors. The Audit Committee meets quarterly to review the Company's consolidated financial statements and Management's Discussion and Analysis, and on an annual basis, the independent auditors' report. The Audit Committee recommends to the Board of Directors the independent auditors to be appointed by the shareholders at each annual meeting and reviews the independence and effectiveness of their work. The independent auditors have unrestricted access to the Company, the Audit Committee, and the Board of Directors.

MANAGEMENT'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

Management is responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined in Rules 13a-15(f) and 15d-15(f) under the Securities Exchange Act of 1934 (the "Exchange Act").

Under the supervision and with the participation of our Company's Chief Executive Officer and Chief Financial Officer, management conducted an evaluation of the effectiveness of our internal control over financial reporting, as of December 31, 2021, based on the framework set forth in Internal Control - Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO 2013"). Based on this evaluation, management concluded that our internal control over financial reporting was effective as of December 31, 2021.

KPMG LLP, an independent registered public accounting firm, has audited the effectiveness of our internal control over financial reporting as of December 31, 2021, as stated in their report which appears herein.

/s/ Alan Hair

/s/ Sandra Daycock

Interim Chief Executive Officer
March 2, 2022

Chief Financial Officer
March 2, 2022



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Report of Independent Registered Public Accounting Firm

To the Shareholders and Board of Directors
Great Panther Mining Limited:

Opinion on the Consolidated Financial Statements

We have audited the accompanying consolidated statements of financial position of Great Panther Mining Limited (the Company) as at December 31, 2021 and 2020, the related consolidated statements of income (loss), comprehensive income (loss), changes in shareholders' equity, and cash flows for each of the years in the two-year period ended December 31, 2021, and the related notes (collectively, the consolidated financial statements). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2021 and 2020, and its financial performance and its cash flows for each of the years in the two-year period ended December 31, 2021, in conformity with International Financial Reporting Standards as issued by the International Accounting Standards Board.

We also have 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 at December 31, 2021, 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 March 2, 2022 expressed an unqualified opinion on the effectiveness of the Company's internal control over financial reporting.

Basis for Opinion

These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated 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 consolidated 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 consolidated 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 consolidated 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 consolidated financial statements. We believe that our audits provide a reasonable basis for our opinion.



Critical Audit Matters

The critical audit matters communicated below are matters arising from the current period audit of the consolidated financial statements that were communicated or required to be communicated to the audit committee and that: (1) relate to accounts or disclosures that are material to the consolidated 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 consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matters below, providing separate opinions on the critical audit matters or on the accounts or disclosures to which they relate.

Environmental claims in Brazil

As discussed in notes 3(n), 4(g) and 25(b)(ii) to the consolidated financial statements, the Company is exposed to various environmental claims in Brazil related to its subsidiary, Mina Tucano Ltd. At December 31, 2021, the Company recognized a provision in the consolidated financial statements totaling \$3.4 million for the resolution of these claims based on management's assessment that a loss is probable and the amount of the loss can be reasonably estimated. The Company discloses a contingency for a claim whenever the likelihood of loss from the claim is considered possible or when it is considered probable, but it is not possible to reliably estimate the amount of the outflow of resources.

We have identified the evaluation of environmental claims in Brazil and the related disclosures made as a critical audit matter because it requires significant auditor judgment and audit effort, due to the nature of the estimates and assumptions, including judgments about the likelihood of loss and the amounts that would be paid in the event of loss.

The following are the primary procedures we performed to address this critical audit matter. We evaluated the design and tested the operating effectiveness of certain internal controls related to the Company's monitoring of environmental claims in Brazil, including controls over the Company's assessment of likelihood of loss from these claims and amounts that would be paid in the event of loss. We evaluated management's assessment of the likelihood of loss from environmental claims in Brazil and amounts that would be paid in the event of loss, by inspecting legal letters received directly from the Company's external lawyers and the latest correspondence between the Company and the various claimants. We evaluated the competence and capabilities of external lawyers for the Company. We evaluated the sufficiency of the Company's disclosure of environmental claims in Brazil.

We are uncertain as to the year we or our predecessor firms began serving consecutively as the auditor of the Company's financial statements; however, we are aware that we have been Great Panther Mining Limited's auditor consecutively since at least 1997.

Chartered Professional Accountants
Vancouver, Canada
March 2, 2022



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Report of Independent Registered Public Accounting Firm

To the Shareholders and Board of Directors
Great Panther Mining Limited:

Opinion on Internal Control Over Financial Reporting

We have audited Great Panther Mining Limited's (the Company) internal control over financial reporting as at December 31, 2021, based on criteria established in Internal Control – Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission. In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as at December 31, 2021, based on criteria established in Internal Control – Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated statements of financial position of the Company as at December 31, 2021 and 2020, the related consolidated statements of income (loss), comprehensive income (loss), changes in shareholders' equity and cash flows for each of the years in the two-year period ended December 31, 2021, and the related notes (collectively, the consolidated financial statements), and our report dated March 2, 2022 expressed an unqualified opinion on those consolidated 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 of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audit also included 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.

Chartered Professional Accountants
Vancouver, Canada
March 2, 2022

GREAT PANTHER MINING LIMITED
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Expressed in thousands of US dollars)

As at December 31, 2021 and 2020

	December 31, 2021	December 31, 2020
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 47,692	\$ 63,396
Restricted cash	159	1,024
Trade and other receivables (note 5)	14,718	15,644
Inventories (note 6)	25,112	33,738
Other current assets (note 7)	4,278	5,680
	91,959	119,482
Other receivables (note 5)	8,317	11,836
Mineral properties, plant and equipment (note 8)	119,168	110,559
Exploration and evaluation assets (note 9)	27,303	26,334
Other assets (note 10)	17,296	12,209
	\$ 264,043	\$ 280,420
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Trade payables and accrued liabilities (note 11(a))	\$ 48,736	\$ 53,221
Current portion of borrowings (note 12)	42,614	30,933
Derivative liabilities (note 13)	—	2,974
Reclamation and remediation provisions – current (note 14)	406	958
	91,756	88,086
Other liabilities (note 11(b))	2,967	6,117
Borrowings (note 12)	6,329	2,465
Reclamation and remediation provisions (note 14)	70,464	67,367
Deferred tax liabilities	4,536	4,682
	176,052	168,717
Shareholders' equity:		
Share capital (note 15)	291,561	268,872
Reserves	7,444	11,604
Deficit	(211,014)	(168,773)
	87,991	111,703
	\$ 264,043	\$ 280,420

The accompanying notes are an integral part of these consolidated financial statements.

Commitments and contingencies (note 25)
Subsequent events (note 29)

Approved by the Board of Directors

“Alan Hair”

Alan Hair, Director

“Dana Williams”

Dana Williams, Director

GREAT PANTHER MINING LIMITED**CONSOLIDATED STATEMENTS OF INCOME (LOSS)**

(Expressed in thousands of US dollars, except per share amounts)

For the years ended December 31, 2021 and 2020

	2021	2020
Revenue (note 16)	\$ 185,678	\$ 260,805
Cost of sales		
Production costs (note 17)	156,085	136,633
Amortization and depletion	30,475	40,305
	186,560	176,938
Mine operating earnings (loss)	(882)	83,867
General and administrative expenses (note 18)	14,732	12,926
Exploration, evaluation, and development expenses		
Exploration and evaluation expenses (note 19)	12,963	10,370
Mine development costs	3,827	2,884
Change in reclamation and remediation provisions	391	41
	17,181	13,295
Care and maintenance costs	504	693
Operating earnings (loss)	(33,299)	56,953
Finance and other income (expense)		
Finance income	248	347
Finance expense	(2,604)	(3,981)
Other expense (note 20)	(6,547)	(49,194)
	(8,903)	(52,828)
Income (loss) before income taxes	(42,202)	4,125
Income tax expense	39	3,791
Net income (loss) for the year	\$ (42,241)	\$ 334
Earnings (loss) per share – basic (note 15(e))	\$ (0.12)	\$ 0.00
Earnings (loss) per share – diluted (note 15(e))	\$ (0.12)	\$ 0.00

The accompanying notes are an integral part of these consolidated financial statements.

GREAT PANTHER MINING LIMITED**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)**

(Expressed in thousands of US dollars)

For the years ended December 31, 2021 and 2020

	2021	2020
Net income (loss) for the year	\$ (42,241)	\$ 334
Other comprehensive income (loss) ("OCI"), net of tax		
Foreign currency translation	(4,801)	(7,057)
Change in fair value of financial assets designated as fair value through OCI	(246)	1
	(5,047)	(7,056)
Total comprehensive income (loss) for the year	\$ (47,288)	\$ (6,722)

The accompanying notes are an integral part of these consolidated financial statements.

GREAT PANTHER MINING LIMITED

CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (Expressed in thousands of US dollars, except number of common shares)

For the years ended December 31, 2021 and 2020

	Share capital		Reserves					Total shareholders' equity
	Number of common shares (000s)	Amount	Share options and warrants	Foreign currency translation	Fair value	Total reserves	Deficit	
Balance, January 1, 2020	311,941	\$ 252,186	\$ 20,575	\$ (2,972)	\$ (183)	\$ 17,420	\$ (169,107)	\$ 100,499
Shares issued for financings (note 15(f))	40,250	14,705	—	—	—	—	—	14,705
Restricted and deferred share units settled	1,474	978	(978)	—	—	(978)	—	—
Shares issued upon settlement of obligation	88	39	—	—	—	—	—	39
Share options exercised	1,280	964	(244)	—	—	(244)	—	720
Share-based compensation	—	—	2,462	—	—	2,462	—	2,462
Comprehensive income (loss)	—	—	—	(7,057)	1	(7,056)	334	(6,722)
Balance, December 31, 2020	355,033	\$ 268,872	\$ 21,815	\$ (10,029)	\$ (182)	\$ 11,604	\$ (168,773)	\$ 111,703
Balance, January 1, 2021	355,033	\$ 268,872	\$ 21,815	\$ (10,029)	\$ (182)	\$ 11,604	\$ (168,773)	\$ 111,703
Shares issued for financings, net of issuance costs (note 15(f))	88,637	21,408	—	—	—	—	—	21,408
Shares issued upon settlement of obligation	87	53	—	—	—	—	—	53
Restricted and deferred share units settled	917	697	(697)	—	—	(697)	—	—
Share options exercised	775	531	(154)	—	—	(154)	—	377
Share-based compensation	—	—	1,738	—	—	1,738	—	1,738
Comprehensive income (loss)	—	—	—	(4,801)	(246)	(5,047)	(42,241)	(47,288)
Balance, December 31, 2021	445,449	\$ 291,561	\$ 22,702	\$ (14,830)	\$ (428)	\$ 7,444	\$ (211,014)	\$ 87,991

The accompanying notes are an integral part of these consolidated financial statements.

GREAT PANTHER MINING LIMITED**CONSOLIDATED STATEMENTS OF CASH FLOWS**

(Expressed in thousands of US dollars)

For the years ended December 31, 2021 and 2020

	2021	2020
Cash flows from operating activities:		
Net income (loss) for the year	\$ (42,241)	\$ 334
Items not involving cash:		
Amortization and depletion	31,001	40,751
Change in reclamation and remediation provision	391	41
Loss on derivative instruments	572	27,980
Unrealized foreign exchange loss	1,481	13,300
Income tax expense (recovery)	39	3,791
Share-based compensation	1,738	2,462
Other items (note 27(a))	4,626	6,264
Interest received	248	346
Interest paid	(1,777)	(3,944)
Settlement of derivative instruments	(3,546)	(21,552)
Income taxes paid	(234)	(728)
	(7,702)	69,045
Net change in operating assets and liabilities:		
Trade and other receivables	2,560	(1,335)
Reclamation and remediation provisions	—	(902)
Inventories	6,912	(5,063)
Other current assets	(523)	(2,468)
Trade payables and accrued liabilities	(1,933)	9,612
Net cash provided by (used in) operating activities	(686)	68,889
Cash flows from investing activities:		
Cash restricted for Coricancha environmental bond	(1,418)	(21)
Cash received on sale of Cangold, net of cash held by Cangold at disposition	(328)	—
Additions to mineral properties, plant and equipment	(43,977)	(41,948)
Net cash provided by (used in) investing activities	(45,723)	(41,969)
Cash flows from financing activities:		
Proceeds from issuance of common shares (note 15(f))	23,077	16,100
Share issuance costs	(1,669)	(1,395)
Payment of lease liabilities	(6,079)	(5,774)
Proceeds from borrowings	55,320	36,013
Repayment of borrowings	(39,838)	(44,836)
Proceeds from exercise of share options	377	720
Net cash provided by (used in) financing activities	31,188	828
Effect of foreign currency translation on cash and cash equivalents	(483)	(1,322)
Increase (decrease) in cash and cash equivalents	(15,704)	26,426
Cash and cash equivalents, beginning of year	63,396	36,970
Cash and cash equivalents, end of year	\$ 47,692	\$ 63,396

The accompanying notes are an integral part of these consolidated financial statements.

Supplemental cash flow information (note 27)

GREAT PANTHER MINING LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Tabular amounts expressed in thousands of US dollars, except where otherwise noted)

As at and for the year ended December 31, 2021 and 2020

1. NATURE OF OPERATIONS

Great Panther Mining Limited ("Great Panther" or the "Company") is a public company listed on the Toronto Stock Exchange ("TSX") trading under the symbol GPR, and on the NYSE American trading under the symbol GPL and is incorporated and domiciled in Canada. The Company's registered and records office is located at 1330 – 200 Granville Street, Vancouver, BC.

The Company has three wholly owned mining operations including the Tucano gold mine ("Tucano"), which produces gold doré and is located in Amapá State in northern Brazil. In Mexico, Great Panther operates the Topia mine ("Topia") in the state of Durango, which produces concentrates containing silver, gold, lead and zinc, and the Guanajuato Mine Complex (the "GMC") in the state of Guanajuato. The GMC comprises the Guanajuato mine ("Guanajuato"), the San Ignacio mine ("San Ignacio") and the Cata processing plant, which produces silver and gold concentrates. The Company placed the GMC on care and maintenance (Guanajuato and Cata processing plant in November 2021 and the San Ignacio mine in early January 2022) while awaiting permits to extend the tailings facility or find other alternatives to maximize the value of GMC.

The Company also wholly owns the Coricancha Mine Complex ("Coricancha"), a gold-silver-copper-lead-zinc mine and processing facility in the central Andes of Peru, approximately 90 kilometres east of Lima. Coricancha was acquired by the Company in June 2017, having been placed on care and maintenance by its previous owner in August 2013. The Company is evaluating its options with respect to the Coricancha mine.

The Company has a portfolio of exploration projects. The El Horcón property is located 100 kilometres by road northwest of Guanajuato, Santa Rosa is located 15 kilometres northeast of Guanajuato, and the Plomo property is located in Sonora, Mexico.

On November 1, 2021, the Company sold the shares of its wholly-owned subsidiary Cangold Limited ("Cangold") to Newrange Gold Corp. ("Newrange") for a purchase price of CAD\$1.0 million paid as a combination of cash and common shares of Newrange. Cangold held the Company's interest in the Argosy property in Northern Ontario in the Red Lake Mining District and a 100% interest in the Company's Plomo property located in Mexico. Prior to closing, the Company completed a reorganization to retain its interest in the Plomo property.

These consolidated financial statements have been prepared on a going concern basis, which contemplates the continuity of normal business activity and the realization of assets and the settlement of liabilities in the normal course of business.

2. BASIS OF PREPARATION

These consolidated financial statements have been prepared by management of the Company in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

These consolidated financial statements were approved by the Company's Board of Directors on March 2, 2022.

3. SIGNIFICANT ACCOUNTING POLICIES

The Company has consistently applied the following accounting policies to all periods presented in these consolidated financial statements, except for the new accounting standards newly adopted on January 1, 2021, as described in note 3(r) below.

(a) Basis of consolidation

These consolidated financial statements include the accounts of the Company. All material intercompany transactions, balances, revenues, and expenses have been eliminated upon consolidation.

GREAT PANTHER MINING LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Tabular amounts expressed in thousands of US dollars, except where otherwise noted)

As at and for the years ended December 31, 2021 and 2020

Subsidiaries are included in the consolidated financial results of the Company from the effective date of acquisition or control and up to the effective date of disposition or loss of control. Control is achieved when the Company has power over the investee, is exposed to or has rights to variable returns from its involvement with an investee, and has the ability to affect those returns through its power over the investee.

Great Panther Mining Limited is the ultimate parent entity of the group. At December 31, 2021, the principal subsidiaries of the Company, their geographic locations, and the ownership interests held by the Company, were as follows:

Name	Location	Ownership	Principal Activity
Mina Tucano Ltda (formerly Beadell Brasil Ltda)	Brazil	100%	Mining company
Mineral Mexicana el Rosario S.A. de C.V.	Mexico	100%	Mining company
Great Panther Coricancha S.A.	Peru	100%	Exploration company

(b) Basis of measurement

These consolidated financial statements have been prepared on the historical cost basis except for financial assets and liabilities that are measured at fair values at each reporting date.

(c) Foreign currency translation

These consolidated financial statements are presented in US dollars ("USD") which is the Canadian parent company's presentation currency and functional currency. The functional currency of the Company's principal subsidiary in Mexico is the USD. The functional currency of the Company's Brazilian subsidiaries is the Brazilian real ("BRL").

(i) Transactions and balances

Foreign currency transactions are translated into the relevant functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in net income.

(ii) Translation of subsidiary results into the presentation currency

The operating results and statements of financial position of the Company's subsidiaries which have a functional currency that differs from the Company's presentation currency are translated into the presentation currency as follows:

- Assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of the statement of financial position;
- Income and expenses for each statement of comprehensive income are translated at average exchange rates, unless the average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions; and
- All resulting exchange differences are recognized as a separate component of equity.

On consolidation, exchange differences arising from the translation of the net investment in foreign entities are recognized in a separate component of equity, foreign currency translation reserve. When a foreign operation is sold, such exchange differences are recognized in net income as part of the gain or loss on the sale.

(d) Cash and cash equivalents

Cash and cash equivalents include cash on hand, demand deposits, and money market instruments, with maturities from the date of acquisition of three months or less, which are readily convertible to known

GREAT PANTHER MINING LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Tabular amounts expressed in thousands of US dollars, except where otherwise noted)

As at and for the years ended December 31, 2021 and 2020

amounts of cash and are subject to insignificant changes in value. Transaction costs are expensed when incurred. Cash and cash equivalents are designated as financial assets at amortized cost.

(e) Inventories

Inventories consist of:

- Gold bullion, gold in circuit, ore stockpiles, and concentrate inventories which are stated at the lower of weighted average cost and net realizable value. Costs include production costs and amortization and depletion directly attributable to the inventory production process. Net realizable value is the expected selling price for the finished product less the costs to put the product into saleable form and delivery to the selling location.
- Materials and supplies inventory, which includes the cost of consumables used in operations are stated at the lower of weighted average cost and replacement cost which approximates net realizable value. Major spare parts and standby equipment are included in property, plant, and equipment when they are expected to be used over more than one period, if they can only be used in connection with an item of property, plant and equipment.

(f) Mineral properties, plant and equipment

(i) Mineral properties

Mine development costs are capitalized if management determines that there is sufficient evidence to support probability of generating positive economic returns in the future. Mineral Resources and Reserves are considered to have economic potential when the technical feasibility and commercial viability of extraction is demonstrable considering long-term metal prices. Therefore, prior to capitalizing such costs, management determines whether the following conditions have been met: there is a probable future benefit that will contribute to future cash inflows; the Company can obtain the benefit and control access to it; and the transaction or event giving rise to the benefit has already occurred.

In the event that the Company does not have sufficient evidence to support the probability of generating positive economic returns in the future, mine development costs are expensed to profit or loss. Mine development costs include expenditures associated with accessing Mineral Resources and gaining further information regarding the ore body, whether by means of ramp development, drilling or sampling. Development costs at the GMC are currently expensed.

Producing mineral properties acquired through business acquisitions are recognized at fair value on the acquisition date. Where applicable, the estimated cost of mine reclamation and remediation for the property is included in the cost of mineral properties.

The Company defers certain related stripping costs during the production phase of its Tucano surface mine operation to future periods. Stripping costs that generate a benefit of improved access to future components of an ore body and meet the definition of an asset are recognized as stripping activity assets. Stripping activity assets are depreciated on a units of production basis over the useful life of the identifiable component of the ore body that becomes more accessible as a result of the stripping activity. Stripping activity assets form part of mineral properties, plant and equipment.

(ii) Plant and equipment

Plant and equipment is originally recorded at cost at the time of construction, purchase, or acquisition, and is subsequently measured at cost less accumulated amortization and impairment. Cost includes all costs required to bring the plant and equipment into a condition and location where it is capable of operating according to its intended use.

Costs incurred for major overhauls of existing equipment or infrastructure are capitalized as plant and equipment and are subject to amortization once they are commissioned. Costs associated with routine maintenance and repairs are charged to operations as incurred.

GREAT PANTHER MINING LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Tabular amounts expressed in thousands of US dollars, except where otherwise noted)

As at and for the years ended December 31, 2021 and 2020

(iii) Amortization and depletion

The Company's mineral properties in Mexico are depleted using the straight-line method over the estimated remaining life of the mine. The Company's mineral properties at Tucano are depleted on a units of production basis over the economically recoverable reserves.

Plant and equipment directly related to the Mexico mining operations is amortized using the straight-line method over the shorter of the estimated remaining life of the mine and the estimated remaining useful life of the asset. Plant and equipment directly related to the Tucano mining operations is amortized on a units of production basis over the economically recoverable reserves of the mine concerned, except in the case of assets whose useful life is shorter than the estimated remaining life of the mine, in which case the straight-line method over the remaining useful life of the asset is used.

All other equipment, buildings and furniture and fixtures which do not relate directly to the mining operations are amortized on a straight-line basis over the remaining estimated useful life of the asset, except for land which is not amortized.

When assets are retired or sold, the costs and related accumulated amortization are eliminated from the accounts and any resulting gain or loss is reflected in profit or loss.

(g) Exploration and evaluation assets

(i) Exploration properties

Exploration properties represent properties for which the Company has not yet performed sufficient exploration work to determine whether significant mineralization exists. Exploration properties are carried at the cost of acquisition and included in exploration and evaluation assets. Exploration expenditures incurred on such properties are expensed as incurred as exploration expenditures in profit or loss. Examples of exploration expenditures that are expensed under this policy include topographical, geological, geochemical and geophysical studies; exploratory drilling; trenching; and sampling. The Company considers its Coricancha, Santa Rosa, El Horcón, and Plomo projects to be in this category as at December 31, 2021, and consequently, expenses all costs associated with these projects as they are incurred.

(ii) Evaluation properties

Evaluation properties represent properties for which the Company has identified Mineral Resources or Reserves of such quantity and grade or quality that it has reasonable prospects for economic extraction. Mineral Resources and Reserves are considered to have reasonable prospects for economic extraction when the Company has sufficient information to determine that extraction is viable and feasible at expected long-term metal prices. Expenditures made in relation to evaluating the technical feasibility and commercial viability of extracting a Mineral Resource or Reserve are capitalized and included in exploration and evaluation assets. Evaluation expenditures include the costs of drilling, sampling and other costs related to defining and delineating the mineral deposit.

When the technical feasibility and commercial viability of the extraction of Mineral Resources or Reserves associated with the Company's evaluation properties are demonstrable and management has made a decision to proceed with development, the capitalized costs associated with evaluation assets are reclassified from exploration and evaluation assets to mineral properties. They are tested for impairment at that time.

(iii) Amortization and depletion

Exploration and evaluation assets are not subject to depletion or amortization, but rather are tested for impairment when circumstances indicate that the carrying value may not be recoverable.

GREAT PANTHER MINING LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Tabular amounts expressed in thousands of US dollars, except where otherwise noted)

As at and for the years ended December 31, 2021 and 2020

(h) Leased assets

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- The contract involves the use of an identified asset – this may be specified explicitly or implicitly and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;
- The Company has the right to obtain substantially all the economic benefits from use of the asset throughout the period of use; and
- The Company has the right to direct the use of the asset. The Company has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used.

The Company recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured based on the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use assets are subsequently depreciated to the earlier of the end of the useful life of the right-of-use asset or the lease term using the straight-line method as this most closely reflects the expected pattern of consumption of the future economic benefits. The right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

The lease liability is measured at amortized cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Company has elected to apply the practical expedient not to recognize right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term.

(i) Impairment of non-financial assets

Exploration and evaluation assets are tested for impairment when circumstances indicate that the carrying value may not be recoverable. When facts and circumstances suggest that the carrying amount of an asset exceeds its recoverable amount, the Company performs an impairment test by comparing the recoverable amount to the carrying amount of the relevant exploration and evaluation property. When the carrying value exceeds the recoverable amount of the relevant exploration and evaluation property, an impairment charge is recorded and the property is written down to its recoverable amount. In addition, exploration and evaluation assets are tested for impairment at the date they are transferred to mineral properties, plant and equipment.

The Company's mineral properties, plant and equipment are reviewed for any indication of impairment at each financial reporting date or at any time if an indicator of impairment is considered to exist. If any such

GREAT PANTHER MINING LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Tabular amounts expressed in thousands of US dollars, except where otherwise noted)

As at and for the years ended December 31, 2021 and 2020

indicators exist, an estimate of the recoverable amount is undertaken, being the higher of an asset's fair value less costs of disposal and the asset's value in use. If the asset's carrying amount exceeds its recoverable amount then an impairment loss is recognized in net income or loss for the period, and the carrying value of the asset on the statement of financial position is reduced to its recoverable amount. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. Fair value of mineral properties is generally determined as the present value of the estimated future cash flows expected to arise from the continued use of the asset, including any expansion prospects, discounted by an appropriate pre-tax discount rate to arrive at a net present value.

Value in use is determined as the present value of the estimated future cash flows expected to arise from the continued use of the asset in its present form and from its ultimate disposal. Value in use is determined by applying assumptions specific to the Company's continued use which includes future development. As such, these assumptions may differ from those used in calculating fair value.

In testing for indicators of impairment and performing impairment calculations, assets are grouped into cash-generating units, which are identified as the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets. The estimates of future discounted cash flows are subject to risks and uncertainties including estimated production, grades, recoveries, future metals prices, discount rates, exchange rates and operating costs.

Non-financial assets other than goodwill that have suffered an impairment are evaluated for possible reversal of the impairment whenever events or changes in circumstances indicate that the impairment may have reversed. When a reversal of a previous impairment is recorded, the reversal amount is adjusted for amortization that would have been recorded had the impairment not been recorded.

(j) Share-based compensation

Equity-settled share-based compensation arrangements such as the Company's stock option plan, restricted share unit plan, and deferred share unit plan are measured at fair value at the date of grant and recorded within equity. The restricted share unit plan includes restricted share units without performance-based criteria and performance share units, where the number of units that ultimately vest is dependent on the relative performance of the Company compared with a peer group of companies. The fair value at grant date of all share-based compensation is recognized as compensation expense over the vesting period, with a corresponding credit to shareholders' equity. The amount recognized as an expense is adjusted to reflect share options forfeited. The Company estimates the fair value of share options granted using the Black-Scholes option pricing model. The Company estimates the fair value of equity settled performance share units ("PSU") using a Monte Carlo valuation model at the date of grant.

(k) Revenue recognition

The Company recognizes revenue from the sale of precious metals, consisting of metal concentrates and refined gold, when the customer obtains control.

For the metal concentrates sales, the customer obtains control upon delivery at the customer's designated warehouse. The amount of revenue recorded upon initial recognition is based on the forward metal prices at that time and the estimated metal content. The payment terms are based on the individual customer contracts. For provisional payments, terms are typically 15 days from the date of provisional invoice, and for final payments, terms are typically five business days after the final weights, assays and prices are known and invoiced. Adjustments related to changes in metal prices and metal content up to the final settlement are recorded in revenue.

For the refined gold, the customer obtains control when the refined gold has been physically delivered, which is also the date when title has passed to the buyer and the Company has issued an invoice pursuant to a transaction confirmation that fixes the quantity and price of the gold for each delivery. The amount of revenue recorded upon delivery is based on this transaction confirmation. The Company has no significant

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continuing involvement after delivery and no adjustments to revenue are made subsequent to initial recognition.

(l) Reclamation and remediation provisions

The Company's mining and exploration activities are subject to various laws and regulations governing the protection of the environment. The Company recognizes the cost of future reclamation and remediation as a liability when: the Company has a legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and a reasonable estimate of the obligation can be made. The liability is measured initially by discounting expected costs to the net present value using pre-tax rates and risk assumptions specific to the liability. The resulting cost is capitalized to the carrying value of the related assets or expensed to profit or loss where there is no carrying value of the related assets, or where the cost is not recoverable. In subsequent periods, the liability is adjusted for accretion of the discount with the offsetting amount charged to the statement of comprehensive income as a finance cost. Any change in the amount or timing of the underlying cash flows is adjusted to the carrying value of the liability, with the offsetting amount recorded as an adjustment to the reclamation and remediation provision cost included in mineral properties or exploration, evaluation and development expenses. Any amount charged to the carrying value of assets is depreciated over the remaining life of the relevant assets.

It is reasonably possible that the ultimate cost of remediation and reclamation could change in the future due to uncertainties associated with defining the nature and extent of environmental disturbance, the application of laws and regulations by regulatory authorities, changes in remediation technology and changes in discount rates. The Company reviews its reclamation and remediation provision at least annually and as evidence becomes available indicating that its expected reclamation and remediation costs may have changed. Any such changes in costs could materially impact the future amounts recorded as reclamation and remediation provision.

(m) Financial instruments

The Company's financial instruments consist of cash and cash equivalents, short-term deposits, marketable securities, trade and other receivables, loan receivable, restricted cash, trade and other payables, as well as derivative instruments.

(i) Classification

The Company determines the classification of its financial instruments at initial recognition. Upon initial recognition, a financial asset is classified as measured at: amortized cost, fair value through profit and loss ("FVTPL"), or fair value through other comprehensive income (loss) ("FVOCI"). The classification of financial assets is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics. A financial liability is classified as measured at amortized cost or FVTPL.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and

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- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

An equity investment that is held for trading is measured at FVTPL. For other equity investments that are not held for trading, the Company may irrevocably elect to designate them as FVOCI. This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or the Company has elected to measure them at FVTPL.

(ii) Measurement

Initial measurement

On initial recognition, all financial assets and financial liabilities are measured at fair value adjusted for directly attributable transaction costs except for financial assets and liabilities classified as FVTPL, in which case the transaction costs are expensed as incurred.

Subsequent measurement

The following accounting policies apply to the subsequent measurement of financial instruments:

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss.
Financial assets at amortized cost	These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and are never reclassified to profit or loss.
Debt investments at FVOCI	These assets are subsequently measured at fair value. Interest income is calculated using the effective interest rate method; foreign exchange gains and losses and impairment are recognized in profit or loss. Other net gains and losses are recognized in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

Impairment of financial instruments

The Company assesses at each reporting date whether there is objective evidence that a financial asset or a group of financial assets is impaired.

For financial assets measured at amortized cost, and debt investments at FVOCI, the Company applies the expected credit loss model.

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(n) Provisions

Provisions are liabilities that are uncertain in time or amount. The Company records a provision when (i) the Company has a present obligation (legal or constructive) as a result of a past event; (ii) it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and (iii) a reliable estimate can be made of the amount of the obligation. Provisions are reviewed at each reporting date and adjusted to reflect management's current best estimate of the cost to settle the present obligation. Where discounting has been used, the carrying amount of a provision is accreted to reflect the passage of time and the accretion expense is included in finance costs in the consolidated statements of income (loss).

(o) Income taxes

Income tax is recognized in net income or loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized directly in equity.

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantially enacted at the reporting date.

Deferred tax assets and liabilities are determined based on differences between the financial statement carrying values of existing assets and liabilities and their respective income tax bases (temporary differences), and tax loss carry forwards. Deferred tax assets and liabilities are measured using enacted or substantively enacted tax rates expected to be in effect when the temporary differences are likely to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is included in net income in the period in which the change is substantively enacted. The amount of deferred tax assets recognized is limited to the amount that is, in management's estimation, probable that future taxable profits will be available against which the asset can be utilized.

Deferred tax assets and liabilities are offset (i) when there is a legally enforceable right to set off current tax assets against current tax liabilities, (ii) when they relate to income taxes levied by the same taxation authority, and (iii) the Company intends to settle its current tax assets and liabilities on a net basis.

(p) Earnings per share

Earnings per share is calculated based on the weighted average number of shares outstanding during the period. The Company follows the treasury stock method for the calculation of diluted earnings per share. Under this method, dilution is calculated based upon the net number of common shares issued should "in-the-money" options and warrants be exercised and the proceeds be used to repurchase common shares at the average market price during the period. Dilution from convertible securities is calculated based on the number of shares to be issued after taking into account the reduction of the related after-tax interest expense.

Basic earnings per share is computed by dividing net income by the weighted average number of common shares outstanding during the reporting period. Diluted earnings per share is computed in a manner similar to basic earnings per share except that the weighted average shares outstanding are increased to include additional shares from restricted and deferred stock units and the assumed exercise of share options and warrants, if dilutive.

(q) Segment reporting

The Company has identified operating segments based on the internal reports that are reviewed and used by the Chief Executive Officer and the executive management team (the chief operating decision-maker – "CODM") in assessing performance and in determining allocation of resources. The CODM considers the business from both a geographic and product perspective and assesses the performance of the operating

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segments based on measures such as net property, plant and equipment, as well as operating results. All operating segments' operating results are reviewed regularly by the Company's senior management to make decisions about resources to be allocated to the segment and to assess its performance, and for which discrete financial information is available. The Company has determined operating segments based on this information.

Segment results that are reported to senior management include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items are comprised mainly of corporate office expenses.

(r) New and revised accounting standards not yet effective

(i) Property, plant and equipment - proceeds before intended use

On May 14, 2020, the IASB issued a narrow scope amendment to IAS 16, Property, Plant and Equipment: Proceeds before Intended Use. The amendment prohibits deducting from the cost of property, plant and equipment amounts received from selling items produced while preparing the asset for its intended use. Instead, amounts received will be recognized as sales proceeds and the related cost in profit or loss. The effective date of the amendment is for annual periods beginning on or after January 1, 2022. The amendment must be applied retrospectively, but only to items of property, plant and equipment that are brought to the location and condition necessary for them to be capable of operating in the manner intended by management on or after the beginning of the earliest period presented in the consolidated financial statements in which the amendment is first applied. The Company will adopt this narrow scope amendment on the date it becomes effective. The amendment is not currently applicable to the Company; however, it may be applicable in the future should the Company receive proceeds from selling items produced prior to an asset being ready for its intended use.

(s) Accounting standards issued and adopted

(i) Interest rate benchmark reform

On August 27, 2020, the IASB issued 'Interest Rate Benchmark Reform — Phase 2 (Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16)' with amendments that address issues that might affect financial reporting related to financial instruments and hedge accounting resulting from the reform of an interest rate benchmark, including its replacement with alternative benchmark rates. The amendments are effective for annual periods beginning on or after January 1, 2021, and are to be applied retrospectively. Effective January 1, 2021, the Company retrospectively adopted the amendments which did not have an impact on the consolidated financial statements for the year ended December 31, 2021.

4. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of the consolidated financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions which affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period.

Estimates are based on historical experience and other factors considered to be reasonable, and are reviewed on an ongoing basis. Revisions to estimates and the resulting effects on the carrying amounts of the Company's assets and liabilities are accounted for prospectively.

The Company has identified the following areas where significant estimates, assumptions and judgments are made and where actual results may differ from the estimates under different assumptions and conditions and may materially affect financial results of the Company reported in future periods.

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(a) Resource and reserve estimation

The accuracy of resource and reserve estimates is a function of the quantity and quality of available data and assumptions made and judgments used in the geological and engineering interpretation and may be subject to revision based on various factors. Changes in resource estimates may impact the carrying value of a mineral property, plant and equipment, the calculation of amortization and depletion, the capitalization of mine development costs, and the timing of cash flows related to reclamation and remediation provision.

(b) Useful lives of mineral properties, plant and equipment

The Company estimates the remaining life of its producing mineral properties on an annual basis using a combination of quantitative and qualitative factors including historical results, Mineral Resource and Reserve estimates, and management's intent to operate the property. The estimated remaining life of the producing mineral property is used to calculate amortization and depletion expense, assess impairment charges and the carrying values of assets, and forecast the timing of the payment of reclamation and remediation costs.

There are numerous uncertainties inherent in the estimation of the remaining lives of the producing mineral properties, and assumptions that are valid at the time of estimation may change significantly when new information becomes available. Changes in the forecast prices of commodities, exchange rates, or production costs may change the economic status of the Mineral Resource and Reserves, estimates, economic potential of production from areas not included in the National Instrument 43-101 ("NI 43-101") reports, and management's intent to operate a property, and may ultimately have a material impact on the estimated remaining lives of the properties.

(c) Reclamation and remediation provision

The amounts recorded for reclamation and remediation provisions are based on estimates prepared by third-party environmental specialists, if available, or by persons within the Company who have the relevant skills and experience. These estimates are based on remediation activities required by environmental laws, the expected timing of cash flows, and the pre-tax risk-free interest rates on which the estimated cash flows have been discounted. These estimates also include an assumption of the rate at which costs may inflate in future periods. Actual results could differ from these estimates. The estimates require extensive judgment about the nature, cost and timing of the work to be completed, and may change with future changes to costs, environmental laws and regulations and remediation practices.

(d) Review of asset carrying values and assessment of impairment

The Company reviews each asset or cash generating unit at each reporting date to determine whether there are any indicators of impairment. If any such indication exists, a formal estimate of recoverable amount is performed and an impairment loss is recognized to the extent that the carrying amount exceeds the recoverable amount. The recoverable amount of an asset or cash generating unit is measured at the higher of fair value less costs to sell and value in use.

The determination of fair value less costs of disposal and value in use requires management to make estimates and assumptions about expected production and sales volumes, metal prices, ore tonnage and grades, recoveries, operating costs, reclamation and remediation costs, future capital expenditures and appropriate discount rates for future cash flows. The estimates and assumptions are subject to risk and uncertainty, and as such there is the possibility that changes in circumstances will alter these projections, which may impact the recoverable amount of the assets. In such circumstances, some or all of the carrying value of the assets may be further impaired or the impairment charge reduced with the impact recorded in profit or loss.

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(e) Review of going concern assumption

The Company reviews the appropriateness of presenting the financial statements on a going concern basis at each reporting period, which assumes continuity of normal business activity and the realization of assets and the settlement of liabilities in the normal course of business. This determination requires management to make estimates and assumptions about; expected production and sales volumes, metal prices, ore tonnage and grades, recoveries, operating costs, reclamation and remediation costs, future capital expenditures including stripping costs, and the timing and amount of external financing. The estimates and assumptions are subject to risk and uncertainty, and as such there is the possibility that changes in circumstances will alter these projections, which may impact the going concern assumption.

(f) Determination of functional currencies

The determination of an entity's functional currency is a matter of judgment based on an assessment of the specific facts and circumstances relevant to determining the primary economic environment of each entity within the group. The Company reconsiders the functional currencies used when there is a change in events or conditions considered in determining the primary economic environment of each entity.

(g) Contingencies

Significant judgments were made by management in the determinations of the likelihood of loss for provisions and contingent liabilities related to Tucano (note 25(b)(ii)) and Coricancha (note 25(b)(i)).

5. TRADE AND OTHER RECEIVABLES

	December 31, 2021	December 31, 2020
Current		
Trade receivables	\$ 2,061	\$ 2,011
Value-added tax receivable	3,217	3,839
PIS / COFINS – Brazil (a)	8,171	8,732
Judicial deposits – Brazil	281	302
Other	988	760
	14,718	15,644
Non-Current		
PIS / COFINS – Brazil (a)	5,613	9,058
Income taxes recoverable – Brazil	2,703	2,764
Other	1	14
	\$ 8,317	\$ 11,836

(a) PIS/COFINS

The PIS (Program of Social Integration) and COFINS (Contribution for the Financing of Social Security) are Brazilian federal taxes that apply to all companies in the private sector. PIS is a mandatory employer contribution to an employee savings initiative, and COFINS is a contribution to finance the social security system. Companies are required to calculate and remit PIS and COFINS based on monthly gross revenues. The Company's Brazilian gold sales are zero-rated for PIS/COFINS purposes; however, the current legislation allows for input tax credits to offset the amounts due by applying rates of 1.65% for PIS and 7.65% for COFINS, respectively, to some of the purchases in Brazil. As such, the Company has PIS/COFINS credits recorded as receivables.

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The Company continues to pursue the refund of its PIS/COFINS receivables. To the extent the Company is unable to receive refunds for all its PIS/COFINS assets, the PIS/COFINS assets are expected to be recoverable through the Company generating future Brazilian federal tax liabilities. At the Company's election, these federal tax liabilities can be offset against the Company's PIS/COFINS assets.

6. INVENTORIES

	December 31, 2021	December 31, 2020
Concentrate	\$ 707	\$ 578
Ore stockpiles	1,510	11,562
Materials and supplies	19,276	18,538
Gold in circuit	1,282	1,266
Gold bullion	2,337	1,794
	\$ 25,112	\$ 33,738

During the year ended December 31, 2021, the inventory recognized as cost of sales was \$182.4 million (2020 – \$161.8 million), which includes production costs and amortization and depletion directly attributable to the inventory production process.

7. OTHER CURRENT ASSETS

	December 31, 2021	December 31, 2020
Prepaid expenses and deposits	\$ 2,017	\$ 3,569
Reimbursement rights (note 10(a))	1,918	1,918
Other current assets	343	193
	\$ 4,278	\$ 5,680

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8. MINERAL PROPERTIES, PLANT AND EQUIPMENT

	Mineral properties – depletable	Mineral properties – non depletable	Plant and equipment	Land and buildings	Furniture, fixtures and equipment	Right-of- use assets	Total
Cost							
Balance, January 1, 2021	\$ 88,162	\$ 33,869	\$ 76,081	\$23,797	\$ 5,507	\$ 18,905	\$ 246,321
Additions	34,721	–	5,435	3,652	170	2,824	46,802
Change in remediation provision	39	–	(210)	–	–	–	(171)
Disposals	–	–	–	–	(35)	–	(35)
Foreign exchange translation difference	(4,467)	(2,329)	(2,570)	(1,504)	(43)	(1,172)	(12,085)
Balance, December 31, 2021	\$118,455	\$ 31,540	\$ 78,736	\$25,945	\$ 5,599	\$ 20,557	\$ 280,832
Accumulated depreciation							
Balance, January 1, 2021	\$ 53,625	\$ –	\$ 56,918	\$ 9,343	\$ 4,933	\$ 10,943	\$ 135,762
Amortization and depletion	17,441	–	5,117	2,709	247	5,245	30,759
Disposals	–	–	–	–	(35)	–	(35)
Foreign exchange translation difference	(1,667)	–	(1,698)	(574)	(35)	(848)	(4,822)
Balance, December 31, 2021	\$ 69,399	\$ –	\$ 60,337	\$11,478	\$ 5,110	\$ 15,340	\$ 161,664
Carrying value, December 31, 2021	\$ 49,056	\$ 31,540	\$ 18,399	\$14,467	\$ 489	\$ 5,217	\$ 119,168
	Mineral properties – depletable	Mineral properties – non depletable	Plant and equipment	Land and buildings	Furniture, fixtures and equipment	Right-of- use assets	Total
Cost							
Balance, January 1, 2020	\$ 58,237	\$ 43,186	\$ 83,335	\$22,548	\$ 5,636	\$ 22,685	\$ 235,627
Additions	32,754	–	3,499	5,692	3	890	42,838
Change in remediation provision	3,546	–	(342)	–	–	–	3,204
Foreign exchange translation difference	(6,375)	(9,317)	(10,411)	(4,443)	(132)	(4,670)	(35,348)
Balance, December 31, 2020	\$ 88,162	\$ 33,869	\$ 76,081	\$23,797	\$ 5,507	\$ 18,905	\$ 246,321
Accumulated depreciation							
Balance, January 1, 2020	\$ 38,964	\$ –	\$ 44,769	\$ 5,726	\$ 4,549	\$ 7,809	\$ 101,817
Amortization and depletion	15,790	–	15,435	4,508	430	4,881	41,044
Foreign exchange translation difference	(1,129)	–	(3,286)	(891)	(46)	(1,747)	(7,099)
Balance, December 31, 2020	\$ 53,625	\$ –	\$ 56,918	\$ 9,343	\$ 4,933	\$ 10,943	\$ 135,762
Carrying value, December 31, 2020	\$ 34,537	\$ 33,869	\$ 19,163	\$14,454	\$ 574	\$ 7,962	\$ 110,559

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(a) Leases**(i) Right-of-use assets**

	Mining equipment	Power generators	Vehicles	Office & communication	Land easements	Total
Balance, January 1, 2021	\$ 3,925	\$ 2,508	\$ 476	\$ 478	\$ 575	\$ 7,962
Additions	1,925	6	196	–	697	2,824
Amortization and depletion	(3,005)	(1,357)	(472)	(230)	(181)	(5,245)
Foreign exchange translation difference	(188)	(98)	(38)	–	–	(324)
Balance, December 31, 2021	\$ 2,657	\$ 1,059	\$ 162	\$ 248	\$ 1,091	\$ 5,217

	Mining equipment	Power generators	Vehicles	Office & communication	Land easements	Total
Balance, January 1, 2020	\$ 7,376	\$ 5,035	\$ 1,095	\$ 658	\$ 712	\$ 14,876
Additions	801	–	–	89	–	890
Amortization and depletion	(2,663)	(1,437)	(378)	(266)	(137)	(4,881)
Foreign exchange translation difference	(1,589)	(1,090)	(241)	(3)	–	(2,923)
Balance, December 31, 2020	\$ 3,925	\$ 2,508	\$ 476	\$ 478	\$ 575	\$ 7,962

(ii) Lease liabilities

	December 31, 2021	December 31, 2020
Maturity analysis – contractual undiscounted cash flows		
Less than one year	\$ 5,538	\$ 5,855
One to five years	2,810	5,475
More than five years	151	98
Total undiscounted lease liabilities	8,499	11,428
Lease liabilities in the Consolidated Statement of Financial Position	8,157	11,221
Current (note 11(a))	5,381	5,296
Non-current (note 11(b))	\$ 2,776	\$ 5,925

(iii) Amount recognized in the Consolidated Statements of Comprehensive Income

	2021	2020
Interest on lease liabilities	\$ 903	\$ 1,332
Variable lease payments not included in the measurement of lease liabilities	46,244	49,723
Expenses relating to short-term leases	19,044	15,564

The Company has elected not to separate the lease component from the non-lease component for short-term leases that have a lease term of less than one year.

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9. EXPLORATION AND EVALUATION ASSETS

	Santa Rosa Property	El Horcón Property	Coricancha	Tucano	Total
Balance, January 1, 2020	\$ 988	\$ 1,124	\$ 13,257	\$ 290	\$ 15,659
Change in reclamation and remediation provision	–	–	10,739	–	10,739
Foreign exchange translation difference	–	–	–	(64)	(64)
Balance, December 31, 2020	\$ 988	\$ 1,124	\$ 23,996	\$ 226	\$ 26,334
Change in reclamation and remediation provision	–	–	984	–	984
Foreign exchange translation difference	–	–	–	(15)	(15)
Balance, December 31, 2021	\$ 988	\$ 1,124	\$ 24,980	\$ 211	\$ 27,303

10. OTHER ASSETS

	December 31, 2021	December 31, 2020
Reimbursement rights (a)	\$ 12,792	\$ 12,178
Restricted cash (b)	4,504	31
	\$ 17,296	\$ 12,209

(a) Reimbursement rights

Pursuant to the acquisition of Coricancha, the vendors, Nyrstar International B.V. and Nyrstar Netherlands (Holdings) B.V. (together "Nyrstar") and their parent company (at the time of the acquisition, Nyrstar N.V. and subsequently replaced by NN2 Newco Limited), agreed to reimburse the Company for:

- the cost of movement and reclamation of certain legacy tailings facilities should the regulatory authorities require these to be moved, up to a maximum of \$20.0 million; and
- all fines or sanctions that arise before or after closing resulting from activities or ownership of Coricancha prior to June 30, 2017, up to a maximum of \$4.0 million.

(b) Restricted Cash

Restricted cash is cash collateral deposits linked to the closure bond requirement for Coricancha (Note 25).

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11. TRADE PAYABLES AND ACCRUED LIABILITIES AND OTHER LIABILITIES**(a) Trade payables and accrued liabilities**

	December 31, 2021	December 31, 2020
Trade payables	\$ 17,137	\$ 27,478
Accrued liabilities	20,722	14,758
Taxes payable	3,250	3,306
Lease liabilities	5,381	5,296
Other payables	2,246	2,383
	\$ 48,736	\$ 53,221

(b) Other liabilities

	December 31, 2021	December 31, 2020
Lease liabilities	\$ 2,776	\$ 5,925
Accrued liabilities	191	192
	\$ 2,967	\$ 6,117

12. BORROWINGS

	MACA	Unsecured bank facilities	Bradesco	Samsung	Asahi	Total
Balance, January 1, 2021	\$ 3,010	\$ 17,516	\$ 2,404	\$ 10,468	\$ –	\$ 33,398
Borrowings	–	30,574	–	4,900	19,846	55,320
Interest accrued	18	1,047	193	331	147	1,736
Principal repayments	(2,937)	(25,344)	(1,112)	(10,446)	–	(39,839)
Interest payments	(59)	(945)	(246)	(282)	(108)	(1,640)
Foreign exchange	(32)	–	–	–	–	(32)
Balance, December 31, 2021	\$ –	\$ 22,848	\$ 1,239	\$ 4,971	\$ 19,885	\$ 48,943
Current	\$ –	\$ 22,848	\$ 961	\$ 3,805	\$ 15,000	\$ 42,614
Non-current	\$ –	\$ –	\$ 278	\$ 1,166	\$ 4,885	\$ 6,329

(a) Unsecured bank facilities

The Company has unsecured, revolving, interest-bearing bank facilities totalling \$22.8 million. The unsecured bank facilities are denominated in US dollars ("USD") and are interest bearing at a weighted average fixed interest rate of 5.35% per annum and are repayable through December 2022.

(b) Bradesco

On March 11, 2020, the Company received a USD denominated loan from Bradesco in the amount of \$10.0 million, with net loan proceeds of \$2.5 million as \$7.5 million is required to be retained as cash collateral.

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The loan matures on February 24, 2023 and is required to be repaid in nine quarterly repayments of \$1.1 million commencing March 5, 2021. The return of the cash collateral will be proportionate to the quarterly loan repayments, resulting in net quarterly repayments of \$0.3 million commencing March 5, 2021. The loan principal bears interest at 3.7% per annum, and the cash collateral earns interest at rates from 1.55% to 2.40% per annum. At December 31, 2021, the principal balance outstanding is \$5.6 million (December 31, 2020 – \$10 million). Cash collateral of \$4.2 million (December 31, 2020 \$7.6 – million) has been netted against the outstanding principal balance.

(c) Samsung

On January 6, 2020, the Company entered an \$11.3 million gold doré prepayment agreement with Samsung (the "Agreement"). In consideration of delivery and sale of approximately 3,000 ounces of gold contained in doré per month over a two-year period commencing January 2020 from Tucano, Samsung has agreed to advance \$11.3 million (the "Samsung Advance") to Great Panther. Gold deliveries are sold at a 0.65% discount to the benchmark price of gold at the time of delivery. The Advance is repayable in equal monthly instalments of \$0.8 million which commenced December 2020 and continue to January 2022 such that all amounts outstanding to Samsung will be repaid in full. The Advance bears interest at an annual rate of 3-month USD LIBOR plus 5% and is secured by a pledge of all equity interests in Great Panther's Brazilian subsidiary that owns Tucano. On September 21, 2021, the Company repaid the outstanding balance of \$3.2 million on the Samsung Advance, incurring a 3% penalty for early repayment, and releasing the shares held for security. The Agreement also provides Samsung with a right of offer for concentrates produced from Coricancha in certain circumstances.

The Company entered into a \$5.0 million lead concentrate prepayment agreement with Samsung (the "Samsung Lead Advance") on September 21, 2021, and on November 2, 2021, the conditions precedent to funding which included the completion of a pledge of the shares of Great Panther's Mexican subsidiary, Minera Mexicana El Rosario S.A. de C.V. ("MMR") were satisfied and funds were received. Under the Concentrate Agreement, Samsung agreed to advance a \$5 million prepayment, net of transaction costs, to MMR in consideration for exclusive offtake of the lead concentrate production from the Topia Mine, up to a maximum contract quantity of 5,400 tonnes representing approximately 21 months of production from the mine. The Samsung Lead Advance will be repaid in twelve equal monthly instalments commencing in April 2022 and bears interest at an annual rate of 3-month USD LIBOR plus 6.5%. MMR has a full option for early repayment of the Samsung Lead Advance, subject to a 3% penalty applied to the outstanding balance.

(d) Asahi

On September 21, 2021, the Company entered into a \$20 million gold doré prepayment agreement with Asahi (the "Asahi Advance"). The Asahi Advance is repayable in twelve equal monthly instalments of \$1.7 million commencing in April 2022. The Advance bears interest at an annual rate of 1-month USD LIBOR plus 4.75% and is secured by a pledge of all equity interests in Great Panther's Brazilian subsidiary that owns Tucano. Great Panther has a full option for early repayment of the Advance, subject to a 3% penalty applied to the outstanding balance. Asahi is provided exclusivity on refining and will purchase 100% of Tucano gold production during the term of the agreement. Tucano will sell the equivalent volume of gold equal to the \$1.7 million principal repayment at a 0.5% discount to the spot price at the time of sale and the remainder of the production will be sold at spot prices.

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13. FINANCIAL INSTRUMENTS

At December 31, 2021, the fair value of the Company's long-term borrowings approximates their carrying values measured based on level 2 of the fair value hierarchy.

The fair value of other financial instruments approximates their carrying values due to their short-term nature.

The Company had no outstanding non-deliverable forward foreign exchange contracts for Brazilian real ("BRL") against USD at December 31, 2021. At December 31, 2020, the Company had BRL 88.2 million of non-deliverable forward foreign exchange contracts for which the fair value of these contracts resulted in a liability of \$3.0 million.

14. RECLAMATION AND REMEDIATION PROVISIONS

The Company's reclamation and remediation provisions relates to site restoration, clean-up, ongoing treatment, and monitoring at Tucano in Brazil, the GMC and Topia in Mexico, and Coricancha in Peru.

	December 31, 2021			December 31, 2020		
	Total	Current	Non-current	Total	Current	Non-current
Tucano	\$ 14,280	\$ —	\$ 14,280	\$ 15,241	\$ —	\$ 15,241
GMC	8,512	114	8,398	8,184	348	7,836
Topia	7,882	—	7,882	6,601	—	6,601
Coricancha	40,196	292	39,904	38,299	610	37,689
	\$ 70,870	\$ 406	\$ 70,464	\$ 68,325	\$ 958	\$ 67,367

	December 31, 2021	December 31, 2020
Balance, beginning of year	\$ 68,325	\$ 55,574
Change in estimates (a)	1,782	16,607
Accretion	2,225	1,517
Reclamation work performed	—	(902)
Foreign exchange	(1,462)	(4,471)
Balance, end of year	\$ 70,870	\$ 68,325

(a) Change in estimates

Reclamation and remediation provisions are adjusted for changes in estimates related to changes in inflation assumptions, discount rates, timing of planned reclamation and changes in estimates of costs.

	2021	2020
Topia	\$ 1,072	\$ 2,151
Tucano	(1,035)	1,092
GMC (i)	(208)	(343)
Change in estimate recorded to mineral properties, plant and equipment	(171)	2,900
Coricancha (ii)	1,562	13,666
GMC (i)	391	41
	\$ 1,782	\$ 16,607

- (i) The GMC related property plant and equipment were fully amortized during the year ended December 31, 2021, and accordingly the remaining change in estimate was expensed.

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- (ii) The change in estimate relating to Coricancha for the year ended December 31, 2021 adjusts reimbursement rights receivable by \$0.6 million (2020 - \$2.9 million) and exploration and evaluations assets by \$1.0 million (2020 - \$10.7 million).

The reclamation and remediation provision for the GMC and Topia operations is based on the following assumptions:

	2021	2020
Total estimated future cash flows	\$ 23,052	\$ 18,895
Expected settlement of obligations (years)	2021 – 2043	2021 – 2043
Weighted average risk-free rate (discount rate)		
GMC	7.6%	4.6%
Topia	7.6%	4.8%

A 1% change in the discount rate while holding the other assumptions constant would decrease or increase the provision by \$0.6 million.

The reclamation and remediation provision for Coricancha is based on the following assumptions:

	2021	2020
Total estimated future cash flows	\$ 44,047	\$ 42,725
Expected settlement of obligations (years)	2022 – 2044	2021 – 2049
Weighted average risk-free rate (discount rate)	1.3%	0.8%

For Coricancha, a portion of the reclamation and remediation provision is offset by a reimbursement rights receivable (note 10(a)). Of the total estimated cash flows at December 31, 2021, \$12.8 million (2020 - \$12.2 million) is reimbursable under the agreements with Nyrstar (notes 10 and 25).

A 1% change in the discount rate would decrease or increase the provision by \$2.1 million while holding the other assumptions constant.

The reclamation and remediation provision for Tucano is based on the following assumptions:

	2021	2020
Total estimated cash flows	\$ 20,969	\$ 22,594
Expected settlement of obligations (years)	2024 – 2029	2024 – 2029
Weighted average risk-free rate (discount rate)	11.3%	6.7%

A 1% change in the discount rate would decrease or increase the provision by \$0.5 million while holding the other assumptions constant.

15. SHARE CAPITAL

(a) Authorized share capital

The Company has an unlimited number of common shares without par value authorized for issue. The Company has an unlimited number of Class A and Class B preferred shares without par value authorized for issue. Each class can be issuable in series. No preferred shares have ever been issued.

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(b) Share options

In June 2020, upon approval by shareholders, the Company adopted an Omnibus Incentive Plan (the "Omnibus Plan") to supplement and eventually replace the then-existing stock option plan (the "2016 Plan"). Pursuant to the Omnibus Plan, the Company may grant stock options ("Options"), restricted share units ("RSUs"), PSUs, and deferred share units ("DSUs") to eligible employees, officers, directors, or consultants. The maximum number of common shares that the Company may issue is limited to 8% of the outstanding common shares, less the number of stock options already outstanding pursuant to the 2016 Plan and the Omnibus Plan, less twice the number of common shares counted as RSU, PSU, and DSU awards. There are additional limits with respect to insiders, individual grants, annual grants, and the number of which may be awarded to non-executive directors.

Options granted under the 2016 Plan will remain outstanding and be governed by the terms of the 2016 Plan. Options granted after the adoption of the Omnibus Plan will be governed by the Omnibus Plan.

Pursuant to the Omnibus Plan, options are non-transferable. The exercise price of options shall not be less than the closing price of the common shares on the Toronto Stock Exchange on the last business day immediately preceding the date of grant. Grant date share price is the closing market price on the day the options were granted. Options have expiry dates of no later than ten years after the date of grant and will cease to be exercisable three months following the termination of the participant's employment or engagement.

Pursuant to the 2016 Plan, options are non-transferable, subject to permitted transferees, and the aggregate may not exceed 10% of the outstanding shares at the time of an option grant, and the aggregate to any one person may not exceed 5% of the outstanding shares. The exercise price of options is determined by the Board but shall not be less than the closing price of the common shares on the Toronto Stock Exchange on the last business day immediately preceding the date of grant. Grant date share price is the closing market price on the day the options were granted. Options have expiry dates of no later than five years after the date of grant and cease to be exercisable 90 days following the termination of the participant's employment or engagement.

	2021		2020	
	Options (000's)	Weighted average exercise price	Options (000's)	Weighted average exercise price
Outstanding, January 1	9,709	C\$ 1.00	8,316	C\$ 1.20
Granted	2,341	1.04	6,255	0.56
Forfeited/Expired	(4,421)	1.28	(3,582)	0.78
Exercised	(775)	0.60	(1,280)	0.74
Outstanding, December 31	6,854	C\$ 0.87	9,709	C\$ 1.00
Exercisable, December 31	2,833	C\$ 0.98	3,355	C\$ 1.65

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Range of exercise prices	Options outstanding (000's)	Weighted average remaining contractual life (years)	Options exercisable (000's)	Weighted average exercise price
C\$0.54 to \$0.62	2,634	3.32	1,033	C\$ 0.54
C\$0.63 to \$1.10	3,281	3.57	861	0.91
C\$1.11 to \$1.62	939	1.24	939	1.53
	6,854	3.15	2,833	C\$ 0.98

During the year ended December 31, 2021, the Company recorded share-based compensation expense relating to share options of \$0.6 million (2020 – \$0.7 million).

The weighted average fair value of options granted during the year ended December 31, 2021, was C\$0.49 (2020 – C\$0.23). The grant date fair value of share options granted was determined using a Black Scholes option pricing model using the following weighted average assumptions:

	2021	2020
Risk-free interest rate	0.54%	0.45%
Expected life (years)	3.14	3.11
Annualized volatility	71%	62%
Forfeiture rate	20%	17%

The annualized volatility assumption is based on the historical volatility of the Company's common share price on the Toronto Stock Exchange. The risk-free interest rate assumption is based on government bonds with a remaining term equal to the expected life of the options.

(c) Restricted share units ("RSUs"), Performance based restricted share unit ("PSUs") and Deferred share units ("DSUs")

RSUs are awards for service which upon vesting and settlement entitle the recipient to receive common shares, a cash equivalent, or a combination thereof. Vesting conditions for RSUs are set by the Board but cannot exceed three years. The choice of settlement method is at the Company's sole discretion. The RSUs granted to date vest in several tranches over three years. An estimated forfeiture rate calculated and updated based on historical forfeitures and cancellations was used in the determination of fair value for the purposes of computing share-based compensation expense in the consolidated financial statements.

PSUs are granted to senior executives, and vest after a performance period of up to three years. The number of units that will ultimately vest ranges between 0% - 200% based on relative performance against a peer group of companies. The PSUs granted may only be settled through the issuance of common shares. Performance results at the end of the performance period relative to the predetermined performance criteria and the application of the corresponding performance multiplier determine how many PSUs vest for each participant.

DSUs are awards to participants for directorship which settle upon termination of service of the participant. Vesting conditions for DSUs are set by the Board. Upon settlement, DSUs entitle the recipient to receive common shares, a cash equivalent, or a combination thereof. The choice of settlement method is at the Company's sole discretion. Timing of settlement after vesting occurs is at the discretion of the participant and can be any time between the date of termination of service of the participant and December 15th of the following calendar year. The DSUs granted to date have vested immediately.

The fair values of the DSUs and RSUs granted to employees and directors have been estimated by reference to the fair value on the grant date of the equity instruments granted. The fair value of PSU was measured based on the fair value at the grant date using the Monte Carlo simulation technique on stock prices. The Company has no history of paying dividends, and consequently, no amounts in respect of dividends were included in the estimates of fair value of the equity instruments granted.

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The following table summarizes information about the RSUs outstanding at December 31, 2021 and 2020:

	2021		2020	
	Number of units	Weighted average grant date fair value (\$/unit)	Number of units	Weighted average grant date fair value (\$/unit)
Balance at January 1	1,911,434	C\$ 0.70	1,243,530	C\$ 1.19
Granted	822,144	1.01	1,636,000	0.56
Settled	(580,045)	0.77	(779,596)	1.10
Cancelled	(676,058)	0.75	(188,500)	1.02
Outstanding at December 31	1,477,475	C\$ 0.82	1,911,434	C\$ 0.70

The following table summarizes information about the PSUs outstanding at December 31, 2021 and 2020:

	2021		2020	
	Number of units	Weighted average grant date fair value (\$/unit)	Number of units	Weighted average grant date fair value (\$/unit)
Balance at January 1	1,904,500	C\$ 0.70	531,000	C\$ 1.14
Granted	780,968	1.04	1,510,700	0.56
Cancelled	(858,414)	0.75	(137,200)	0.89
Outstanding at December 31	1,827,054	C\$ 0.82	1,904,500	C\$ 0.70

The fair value of PSU was measured based on the fair value at the grant date using the Monte Carlo simulation technique on stock prices.

The following table summarizes information about the DSUs outstanding at December 31, 2021, and 2020:

	2021		2020	
	Number of units	Weighted average grant date fair value (\$/unit)	Number of units	Weighted average grant date fair value (\$/unit)
Balance at January 1	2,420,189	C\$ 0.78	946,150	C\$ 1.19
Granted	781,354	0.91	2,167,939	0.57
Settled	(424,300)	1.15	(693,900)	0.69
Outstanding at December 31	2,777,243	C\$ 0.76	2,420,189	C\$ 0.78

During the year ended December 31, 2021, the Company recorded share-based compensation expense relating to RSUs, PSUs, and DSUs of \$1.1 million (2020 – \$1.8 million).

(d) Share purchase warrants

The Company has issued 9,749,727 share purchase warrants at an exercise price of \$1.317 per share. 6,321,695 share purchase warrants have an expiry date of May 17, 2022, and 3,428,032 share purchase warrants have an expiry date of June 27, 2022.

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(e) Earnings (loss) per share

	2021	2020
Income (loss) attributable to equity owners	\$ (42,241)	\$ 334
Weighted average number of shares (000's)	355,827	337,834
Earnings (loss) per share – basic	\$ (0.12)	\$ 0.00

	2021	2020
Income (loss) attributable to equity owners	\$ (42,241)	\$ 334
Weighted average number of shares (000's)	355,827	337,834
Incremental shares from RSUs, PSUs and DSUs	–	6,362
Weighted average diluted number of shares (000's)	355,827	344,196
Earnings (loss) per share – diluted	\$ (0.12)	\$ 0.00

Anti-dilutive share purchase options, warrants, deferred share units, restricted share units and performance share units have not been included in the diluted earnings per share calculation.

(f) Financings

On November 12, 2021, the Company closed a bought deal financing for aggregate gross proceeds of \$23.0 million, pursuant to which the Company issued 88,461,538 common shares of the Company at the price of \$0.26 per share. The Company paid a cash commission to the underwriters equal to 6% of the gross proceeds of the financing and recognized net proceeds of \$21.4 million after deducting share issuance costs.

On October 15, 2021, the Company entered into an At-the-Market Offering Agreement (the "ATM Agreement"), pursuant to which the Company may issue up to \$25.0 million at prevailing market prices during the term of the ATM Agreement (the "ATM Facility"). The ATM Facility replaces the Company's prior \$25.0 million "at-the-market" facility, which expired on August 3, 2021. As at December 31, 2021, the Company has issued 175,827 common shares under the ATM Facility and received proceeds of \$0.1 million.

On May 20, 2020, the Company closed a bought deal financing for aggregate gross proceeds of \$16.1 million, pursuant to which the Company issued 40,250,000 common shares of the Company at the price of \$0.40 per share. The Company paid a cash commission to the underwriters equal to 6% of the gross proceeds of the financing and recognized net proceeds of \$14.7 million after deducting share issuance costs.

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16. REVENUE

The Company generates revenue primarily from the sale of precious metals, consisting of metal concentrates and refined gold.

In the following table, revenue is disaggregated by the geographic location of the Company's mines and major products.

	2021			2020		
	Brazil	Mexico	Total	Brazil	Mexico	Total
Gold	\$ 141,333	\$ 12,872	\$ 154,205	\$ 223,272	\$ 12,841	\$ 236,113
Silver	295	28,170	28,465	487	22,473	22,960
Lead	—	2,686	2,686	—	2,180	2,180
Zinc	—	4,116	4,116	—	3,161	3,161
Ore processing revenue	—	—	—	—	34	34
Smelting and refining charges	(46)	(3,812)	(3,858)	(69)	(4,031)	(4,100)
Revenue from contracts with customers	\$ 141,582	\$ 44,032	\$ 185,614	\$ 223,690	\$ 36,658	\$ 260,348
Changes in fair value from provisional pricing	—	64	64	—	457	457
Total revenue	\$ 141,582	\$ 44,096	\$ 185,678	\$ 223,690	\$ 37,115	\$ 260,805

The amount of revenue recognized in the year ended December 31, 2021, from performance obligations satisfied (or partially satisfied) in the previous period, due to the current period settlement of metal concentrate revenue recognized in the prior periods was a reduction of revenue of \$0.2 million. At December 31, 2021, the Company had \$2.9 million in revenue subject to provisional pricing in relation to the sale of concentrates.

For the years ended December 31, 2021 and 2020, the Company had revenue contracts with five customers (2020 - five customers) that accounted for the majority of the total revenues as follows:

Customer	Geographical Market	2021	2020
Customer A	Brazil	\$ 80,552	\$ 122,303
Customer B	Brazil	49,957	64,426
Customer C	Brazil	11,073	36,961
Customer D	Mexico (Guanajuato)	21,687	21,281
Customer E	Mexico (Topia)	18,686	13,950
Other	Mexico	3,723	1,884
		\$ 185,678	\$ 260,805

The trade accounts receivable balance of \$2.1 million at December 31, 2021 of which \$1.7 million related to Customers D and E (December 31, 2020 – \$2.0 million, related to Customers B, D and E).

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17. PRODUCTION COSTS

	2021	2020
Raw materials and consumables	\$ 62,954	\$ 59,505
Salaries and employee benefits	20,762	16,054
Contractors	52,434	47,713
Repairs and maintenance	1,958	1,416
Site administration	4,443	3,944
Royalties	3,939	5,918
Mining duties	193	161
Share-based compensation	201	336
	146,884	135,045
Change in inventories	9,201	73
	156,085	135,118
Unabsorbed fixed costs (a)	—	1,515
Total production costs	\$ 156,085	\$ 136,633

(a) Unabsorbed fixed costs

The Company's operations in Mexico were shut down during April and May 2020 as a result of government orders due to the COVID-19 pandemic. During the shutdown, the Company incurred fixed costs for these operations, which otherwise would have been recorded to inventory but were expensed as incurred.

The Company also voluntarily suspended production at Topia for a five-week period in the fourth quarter of 2020 to mitigate the spread of COVID-19 in the local community. The Company also expensed fixed costs during this period of suspension.

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18. GENERAL AND ADMINISTRATIVE EXPENSES

	2021	2020
Salaries and employee benefits	\$ 5,555	\$ 4,042
Professional fees	1,845	1,674
Office and other expenses	5,429	4,758
Amortization	526	446
Share-based compensation	1,377	2,006
Total general and administrative expenses	\$ 14,732	\$ 12,926

19. EXPLORATION AND EVALUATION EXPENSES

	2021	2020
Salaries and employee benefits	\$ 2,660	\$ 2,223
Raw materials and consumables	1,923	892
Professional fees	5,474	4,411
Office and other expenses	2,746	2,724
Share-based compensation	160	120
Total exploration and evaluation expenses	\$ 12,963	\$ 10,370

20. OTHER EXPENSE

	2021	2020
Accretion expense	\$ 3,093	\$ 2,629
Loss on derivative instruments	572	27,980
Foreign exchange loss	1,942	16,397
Other expense	940	2,188
	\$ 6,547	\$ 49,194

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21. INCOME TAXES**(a) Income tax expense**

	2021	2020
Current expense:		
Income tax	\$ 39	\$ 3,647
	39	3,647
Deferred tax expense (recovery):		
Income tax	–	144
	–	144
Income tax expense	\$ 39	\$ 3,791

The reconciliation of income taxes calculated at the Canadian statutory tax rate to the income tax expense shown in these consolidated financial statements is as follows:

	2021	2020
Net income (loss) before tax	\$ (42,202)	\$ 4,125
Canadian statutory income tax rate	27%	27%
Anticipated income tax at statutory rate	\$ (11,395)	\$ 1,115
Permanent differences	1,596	(2,084)
Differences between Canadian and foreign tax rates	(1,710)	3,144
Change in estimate	951	1,668
Impact of foreign exchange on local currencies	(23)	2,739
Change in deferred tax assets not recognized	10,275	(2,451)
Other items	345	(340)
Income tax expense	\$ 39	\$ 3,791
Effective tax rate	0%	92%

(b) Deferred income tax assets and liabilities

The significant components of deferred tax assets and liabilities are:

	December 31, 2021	December 31, 2020
Deferred income tax liabilities	(2,337)	(2,488)
Deferred withholding tax liabilities	(2,199)	(2,194)
Total deferred income tax liabilities	(4,536)	(4,682)

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(c) The following temporary differences and tax losses give rise to deferred income tax assets and liabilities:

	December 31, 2021	December 31, 2020
Tax losses carried forward	\$ 17,567	\$ 18,968
Withholding tax liability	(2,199)	(2,194)
Mineral properties, plant and equipment	(19,684)	(20,298)
Other taxable temporary differences	(220)	(1,158)
Net deferred income tax liabilities	\$ (4,536)	\$ (4,682)

Losses expire as follows:

Type of losses	Country	2021		2020	
		Expiry dates	Amount	Expiry dates	Amount
Non-capital losses	Canada	2026 to 2041	\$ 32,800	2026 to 2040	\$ 29,730
	Mexico	2023 to 2031	\$ 31,950	2023 to 2030	\$ 24,870
	Brazil	indefinite	\$ 93,027	indefinite	\$ 79,382
	Peru	indefinite	\$ 73,464	indefinite	\$ 73,491

(d) Unrecognized deferred tax assets:

The Company recognizes tax benefits on losses or other deductible amounts where it is probable the deferred tax assets will be realized. The Company's unrecognized deductible temporary differences and unused tax losses for which no deferred tax assets are recognized consist of the following amounts:

	December 31, 2021	December 31, 2020
Tax losses carried forward	\$ 240,705	\$ 217,342
Mineral properties, plant and equipment	51,938	45,429
Other deductible temporary differences	91,413	105,725
Unrecognized temporary differences	\$ 384,056	\$ 368,496

22. FAIR VALUE MEASUREMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (an exit price) regardless of whether that price is directly observable or estimated using another valuation technique.

The fair value hierarchy establishes three levels to classify the inputs to valuation techniques used to measure fair value. Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities. Level 2 inputs are quoted prices in markets that are not active, quoted prices for similar assets or liabilities in active markets, inputs other than quoted prices that are observable for the asset or liability (interest rate, yield curves), or inputs that are derived principally from or corroborated observable market data or other means. Level 3 inputs are unobservable (supported by little or no market activity). The fair value hierarchy gives the highest priority to Level 1 inputs and the lowest priority to Level 3 inputs.

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The following describes the methods and assumptions used to estimate the fair value of Level 2 financial instruments.

Financial asset or liability	Methods and assumptions used to estimate fair value
------------------------------	---

Trade receivables	Trade receivables arising from the sales of metal concentrates are subject to provisional pricing, and the final selling price is adjusted at the end of the quotation period. The Company marks these to market at each reporting date based on a quoted forward price. The Company's trade receivables are valued using quoted market prices on the London Metal Exchange.
Derivative instruments	The Company's derivative assets and derivative liabilities are comprised of forward foreign exchange contracts and put options for gold. The fair value of the Company's forward exchange contracts and put options for gold are determined using forward exchange rates and forward gold prices, respectively, at each reporting date.
Borrowings	The Company's borrowings are comprised of long-term loans, convertible debentures and debt facilities. Borrowings are initially recognized at fair value, net of transaction costs incurred. Subsequent to initial measurement, borrowings are recorded at amortized cost using the effective interest rate method.

During the years ended December 31, 2021 and 2020, there were no transfers of amounts between Level 1, Level 2, and Level 3 of the fair value hierarchy. The following tables show the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. Fair value information for financial assets and financial liabilities not measured at fair value is not presented if the carrying amount is a reasonable approximation of fair value.

The Company's financial instruments include cash and cash equivalents, marketable securities, trade receivables, restricted cash, trade payables, borrowings and derivative instruments. The carrying values of the Company's financial instruments approximate their fair values due to the short-term nature of the items or the inclusion of interest rates that approximate market rates.

In evaluating fair value information, considerable judgment is required to interpret the market data used to develop the estimates. The use of different market assumptions and valuation techniques may have a material effect on the estimated fair value amounts.

The following table summarizes the Company's financial instruments as at December 31, 2021:

	Fair value through OCI	Fair value through P&L	Amortized cost	Total	Fair value hierarchy
Financial Assets					
Cash and cash equivalents	\$ —	\$ —	\$ 47,692	\$ 47,692	n/a
Marketable securities	264	—	—	264	Level 1
Trade receivables	—	—	2,061	2,061	Level 2
Restricted cash	—	—	4,663	4,663	n/a
Financial Liabilities					
Trade payables and accrued liabilities	\$ —	\$ —	\$ 38,050	\$ 38,050	n/a
Borrowings	—	—	48,943	48,943	Level 2

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23. CAPITAL MANAGEMENT

The Company's objectives when managing capital are to:

- ensure there are adequate capital resources to support the Company's ability to continue as a going concern;
- maintain adequate levels of cash to support the acquisition, exploration and development of mineral properties, exploration and evaluation assets, and the operation of producing mines;
- maintain investor, creditor and market confidence to sustain future development of the business; and
- provide returns to shareholders and benefits for other stakeholders.

As of December 31, 2021, cash and cash equivalents were \$47.7 million, and net working capital totaled \$0.2 million. The Company has \$42.6 million of current borrowings on December 31, 2021. Included in current borrowings are \$22.9 million of unsecured bank facilities. Historically, the Company has generally been able to renew or replace the unsecured bank facilities but cannot provide assurance that it will do so in the future. The unsecured bank facilities are interest-bearing at a weighted average fixed interest rate of 5.35% per annum.

The Company expects to generate positive cash flows from its mining operations in 2022 prior to capital investments, exploration and evaluation and development costs, and debt repayment obligations, at current metal prices and at current exchange rates for the BRL and MXN to the USD. This also assumes no further significant disruptions to production related to government measures to reduce the spread of COVID-19. The Company has determined that it will require further financing and will consider additional equity financing (including through use of the ATM facility) and debt financing, if necessary, in order to meet long-term objectives and improve working capital, fund planned capital investments and exploration programs for its operating mines, acquisitions and meet scheduled debt repayment obligations.

On October 15, 2021, the Company entered into the ATM Agreement with H.C. Wainwright & Co., LLC, pursuant to which the Company may issue up to \$25.0 million at prevailing market prices during the term of the ATM Agreement. As at December 31, 2021, the Company has issued 175,827 common shares under the ATM Facility. On November 12, 2021, the Company closed a bought deal financing for aggregate gross proceeds of \$23.0 million, pursuant to which the Company issued 88,461,538 common shares of the Company at the price of \$0.26 per share. The Company paid a cash commission to the underwriters equal to 6% of the gross proceeds of the financing and recognized net proceeds of \$21.4 million after deducting share issuance costs.

As mentioned above, the Company has determined that it will require further financing in 2022. To the extent that cash flows generated from operations during 2022 are less than anticipated or in the event the Company determines it will undertake other projects that are currently not part of its plans and guidance, or if the Company undertakes an acquisition, additional capital required may exceed the Company's current expectations, and additional funds may be required. Sources of capital include accessing the private and public capital markets for debt and equity over the next 12 months, including pursuant to the ATM Facility. Adverse movement in metal prices, unforeseen impacts to the Company's operation, and the inability to renew or extend existing credit facilities that become due may increase the need to raise new external sources of capital, and the inability to access sources of capital could adversely impact the Company's liquidity and require the Company to curtail capital and exploration program and other discretionary expenditures.

24. FINANCIAL RISK MANAGEMENT

The Board 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.

The Company is exposed to certain financial risks, including credit risk, liquidity risk, and market risks such as currency risk, interest rate risk, and commodity price risk.

GREAT PANTHER MINING LIMITED

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(a) Credit risk

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations. The Company's exposures to credit risk arise from cash and short-term investments, trade accounts receivable, and loan receivable. Lesser exposures arise from holdings of marketable securities, and other receivables.

The risk is assessed by performing an aging analysis of trade receivables, and through the review of credit ratings of the counterparties with which the Company does business.

The Company manages such credit risks by diversifying bank deposits and placing funds only in large Canadian, Brazilian and Mexican financial institutions. The Company's investments are subject to internal investment guidelines, and they mature at various dates but rarely in excess of one year.

All of the Company's precious metal sales are to large international metals trading companies and smelters that have been in business for many years. For the sale of metal concentrates, the Company typically receives provisional payments, within days after delivery, of up to 95% of the value of each shipment. For the sale of refined gold, the Company typically receives payment in full on the day of delivery. Historically, the Company has not had difficulty collecting receivables from its customers, nor have customers defaulted on any payments.

There is no trade receivable related to the refined gold sales as at December 31, 2021. The aging of trade receivables from metal concentrate sales is as follows:

	December 31, 2021	December 31, 2020
0 to 30 days	\$ 1,466	\$ 1,343
31 to 60 days	199	400
61 to 90 days	422	142
over 90 days	(26)	126
	\$ 2,061	\$ 2,011

There has been no notable change in the Company's approach to credit risk management since the prior year.

(b) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company's exposure to liquidity risk arises from its trade and other payables. The Company regularly prepares rolling cash flows to identify and assess such liquidity risks.

The Company manages liquidity risk by preparing annual budgets for approval by the Board and preparing cash flow and liquidity forecasts on a quarterly basis.

There has been no notable change in the Company's approach to credit risk management since the prior year.

(c) Currency risk

Currency risk is the risk that foreign exchange rates will fluctuate significantly from expectations. The Company's exposure to currency risk arises from its operations in Canada, Brazil, Mexico and Peru, where payments to vendors and employees are often in local currency; yet, substantially all of the Company's revenues are realized in USD. Further, the Company holds a portion of its cash in currencies other than USD.

To manage this risk, the Company holds as small of an amount as practical in foreign currencies. To mitigate the Company's exposure to changes in the exchange rates of BRL and MXN against USD, the Company may and has entered into forward currency contracts as it deems prudent. There are limits on

GREAT PANTHER MINING LIMITED

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the extent of such contracts, in excess of which Board approval is required. In 2021, the Company did not enter any forward foreign currency contracts.

For financial instruments denominated in foreign currencies as at December 31, 2021, a 10% change in the prevailing exchange rates as at December 31, 2021, with all other variables held constant, would have the following impact on the Company's earnings:

Change in net income arising from:	Canadian dollars ("CAD")	Brazilian real	Australian dollars ("AUD")	Mexican pesos	Peruvian soles ("PEN")
10% appreciation of the USD against the currency	\$ (3)	\$ 2,983	\$ (620)	\$ (148)	\$ 255
10% depreciation of the USD against the currency	\$ 3	\$ (2,983)	\$ 620	\$ 148	\$ 255

The closing exchange rates for December 31, 2021, of BRL/USD of 5.5805 (2020: 5.197), MXN/USD of 20.5157 (2020: 19.935), AUD/USD of 1.3797 (2020: 1.2981), PEN/USD of 3.998 (2020: 3.621), and CAD/USD of 1.27382 (2020: 1.277) were used in the above analysis.

(d) Interest rate risk

Interest rate risk is the possibility that change in market interest rates will affect future cash flows. The Company is exposed to interest rate risk on its cash and cash equivalents, short-term deposits and borrowings. The Company's approach is to invest cash in savings accounts and guaranteed investment certificates at fixed and floating rates of interest over varying maturities. The Company manages this risk by monitoring changes in interest rates and by maintaining a relatively short duration for the Company's portfolio of cash equivalent securities. Many of these instruments can be immediately redeemed and those of a fixed-term do not exceed one year. The Company is exposed to interest rate risk on its variable interest rate borrowings, specifically the MACA loan (note 13(a)). Additionally, the unsecured bank facilities (note 13(b)) are expected to roll over as they become due and are therefore subject to interest rate changes.

There has been no notable change in the Company's approach to interest rate risk management since the prior year.

For interest-bearing financial instruments as at December 31, 2021, an increase or decrease in interest rate of 1% applied would increase or decrease net income and comprehensive income by \$0.1 million.

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(e) Commodity price risk

The Company is subject to risk from fluctuations in the market prices of gold, silver, lead and zinc. Such fluctuations directly affect the Company's reported revenues.

The profitability of the Company's operations is highly correlated to the market prices of these metals, as is the ability of the Company to develop its mineral properties and exploration and evaluation assets. The value of trade receivables at the reporting date also depends on changes in metal prices until finalization of sales prices per the contractual quotational period.

If metal prices decline for a prolonged period below the cost of production of the Company's mines, it may not be economically feasible to continue production.

The Company has a stated policy that it will not engage in long-term hedging of gold and silver prices.

There was no notable change in the Company's approach to commodity price risk management from the prior year until December 31, 2021.

For provisionally priced trade receivables, a 10% change in the prevailing commodity prices as at December 31, 2021, with all other variables held constant, would have the following impact on the Company's earnings:

	10% change in gold	10% change in silver	10% change in lead	10% change in zinc
Change in net income	\$ 569	\$ 850	\$ 68	\$ 135

25. COMMITMENTS AND CONTINGENCIES

(a) Commitments

As at December 31, 2021, the Company had the following commitments:

	Total	1 year	2-3 years	4-5 years	Thereafter
Operating lease payments	\$ 2	\$ 2	\$ –	\$ –	\$ –
Drilling services	255	255	–	–	–
Equipment purchases	294	294	–	–	–
Total commitments	\$ 551	\$ 551	\$ –	\$ –	\$ –

In June 2020, Nyrstar agreed to extend its requirement to post remediation bond obligations as security for closure costs at Coricancha beyond the original June 30, 2020 expiry date. Nyrstar will maintain a \$7.0 million bond (previously \$9.7 million) until June 30, 2021 and \$6.5 million for the following year, effectively deferring Great Panther's funding requirements for these amounts until June 30, 2022, unless Great Panther decides to permanently close Coricancha. As at December 31, 2021, the total bond amount required was \$10.9 million, of which Nyrstar is responsible for \$6.5 million and the Company is responsible for \$4.4 million.

If a decision to permanently close the mine is made, Nyrstar will fund closure costs up to the revised amount of its bond funding obligation, and Coricancha will be required to post the full amount of the required remediation bond with Peruvian government authorities. If no decision is made to permanently close Coricancha by June 30, 2022, then Coricancha will likewise be required to post the full amount of the

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required reclamation bond. Nyrstar's obligation to indemnify the Company for up to \$20.0 million for closure of Cancha 1 and 2 tailings storage facilities is not changed by the Company's decision regarding Coricancha's future operating plans.

On August 18, 2021, the Peruvian government introduced a new Mine Closure Law (Law No. 31347). The new law contemplates increases to the mine closure financial assurances applicable to all mining companies in Peru. Whereas previously companies were required to provide final assurance to cover "Final" and "Post-Closure" stages of the Mine Closure Plan, under the amended law the requirement is inclusive of "Progressive Closure" costs (i.e., closure activities during the operation of the mine) for the main components of the mine. The law does not provide details such as specific costs, or the timing of payment or form of collateral to be provided. In January 2022, draft regulations were published and allowed for a comment period from the mining industry. The Petroleum and Energy Society prepared a consolidated response to the regulations, to which the Company submitted comments. Prior to publication of the new regulations, the Company cannot estimate with certainty the amount or timing of incremental closure bond requirements for Coricancha or the impact of such requirements on the Company's liquidity.

(b) Contingencies

(i) Coricancha

Coricancha has been on care and maintenance since August 2013.

Fines and sanctions

Nyrstar has agreed to reimburse the Company for all fines or sanctions that resulted from activities or ownership of Coricancha prior to June 30, 2017, up to a maximum of \$4.0 million. Accordingly, a reimbursement right in the amount of \$1.5 million has been recorded in respect of fines or sanctions that have been levied by regulatory bodies in Peru.

The Company has accrued for and recorded a further reimbursement right of \$0.4 million for certain civil lawsuits filed by individuals and former suppliers.

Legacy tailings facilities

The Company has undertaken the reclamation of certain legacy tailings facilities at Coricancha. In addition, as part of the purchase of Coricancha, the Company has an agreement with Nyrstar for the reimbursement of the cost of these reclamation activities. The Company is seeking approval of a modification to a remediation plan in accordance with the recommendations of an independent consultant to preserve the stability of nearby areas by reclaiming the legacy tailings in situ. The Company is exposed to potential fines, penalties and regulatory action until the modification to the remediation plan is approved.

Peruvian Tax Matters

The Company's Peruvian subsidiary Great Panther Coricancha S.A. ("GPC") has received notice from SUNAT, the Peruvian tax authority, that SUNAT intends to hold GPC jointly liable with respect to the unpaid taxes of a leasing company that sold the Coricancha mining assets to GPC (formerly Compañía Minera San Juan S.A.) in March 2006, prior to the Company's acquisition of Coricancha effective June 30, 2017. The SUNAT claim is for unpaid taxes and related fines of the taxpayer, which is not an affiliate of the Company, from its 2001 tax year, together with related fines. The amount claimed is approximately \$20 million.

The Company believes that the probability of the claim resulting in liability for GPC is remote and, as a consequence, has not recorded any contingency. The Company expects legal processes to take several years to reach a conclusion.

GREAT PANTHER MINING LIMITED

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As at and for the years ended December 31, 2021 and 2020

(ii) Tucano

a) Various claims related to Brazil indirect taxes and labour matters

The Company has various litigation claims from a number of governmental assessments pertaining to indirect taxes and labour disputes associated with former employees and contract labour in Brazil.

As of September 30, 2021, the items for which a loss was probable, inclusive of any related interest, amounted to approximately \$1.8 million, for which a provision was recognized (as of September 30, 2020 – \$1.6 million).

In connection with the above proceedings, a total of \$0.3 million (December 31, 2020 - \$0.3 million) of escrow cash deposits were made as of September 30, 2021 (note 4). Generally, any escrowed amounts would be refundable to the extent the matters are resolved in the Company's favour.

b) Environmental fines and penalties and judicial claims

The Company is a defendant in various lawsuits and legal actions, including for alleged fines, in Brazil. Management regularly reviews these lawsuits and legal actions with outside counsel to assess the likelihood that the Company will incur a material cash outflow to settle the claim. To the extent management believes it is probable that a material cash outflow will be incurred to settle the claim, a provision for the estimated settlement amount is recorded. As at December 31, 2021, the total amount of claims was \$15.3 million and the Company has accrued \$3.4 million, representing the estimated settlement amount for claims where material future cash outflows are probable. A summary of the most significant claims is as follows:

i. Environmental damages - William Creek

In May 2009, the State of Amapá Public Prosecutor ("MPAP") filed a public civil action seeking payment for environmental damages caused to William Creek, as well as to other creeks located in the region of influence of Zamin Amapá Mineração ("Zamin") and Tucano mines. The alleged damage is related to the modification of the creek's riverbed, soiling and sedimentation. In January 2018, the Amapá State Court ordered Tucano to pay a fine of approximately \$1.2 million (BRL 6.0 million plus interest and inflation counted as from the date of the damage) to the State Environmental Fund. As at September 30, 2021, the updated value with interest and inflation is approximately \$5.8 million (BRL 31.6 million). The Company is in the process of appealing. Based on legal advice received, the best estimate of the loss is less than the full amount claimed, and the Company has accrued the best estimate of the cost to settle the claim.

ii. Archaeological sites damage

In 2020, a settlement agreement was reached related to certain archaeological civil actions. Tucano agreed to provide BRL 8.0 million, no later than December 31, 2021, for implementation of socio-environmental measures in the local community. The settlement amount has been paid as at December 31, 2021.

In related proceedings, not covered by the settlement agreement, Tucano is in the process of appealing fines and damages arising in the Federal Court of Appeal. The likelihood of total loss is not considered probable based on legal advice received. However, the best estimate of the loss is less than the full amount claimed, and the Company has accrued the best estimate of costs to settle the claim.

iii. Cyanide usage

In October 2018, the public prosecutor's office of labour affairs for the State of Amapá filed a public civil action seeking payment for potential damages and medical costs in relation to the Company's employees' exposure to cyanide used in the processing of its gold. In August 2019, a regional labour court ordered Tucano to pay compensation of approximately BRL 4.0 million plus interest and inflation for these damages, in addition to surveillance and funding medical

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costs of any diseases to Tucano's internal and outsourced employees and former employees, and to stop using cyanide in its production process within one year from the final non-appealable decision on the proceedings. Tucano is in the process of appealing to a Federal Superior Labour Court all aspects of the regional labour court decision. In March 2020, it was accepted that the appeal, exclusively with respect to whether or not the use of cyanide may continue, be admitted for consideration by the Federal Superior Labour Court and the balance of the decision has not yet been accepted for consideration and is under appeal. Tucano is not aware of any circumstances of former or current employees who have suffered health consequences from exposure to cyanide at the Company's operations. In addition, the Company notes that the use of cyanide in the processing of gold is common in the industry within Brazil and is not prohibited by any federal law in Brazil and that the Company complies with proper safety standards in the use and handling of cyanide in its operations. The Company believes the claims are without merit. As the matter progresses, the Company will review its assessment.

iv. December 2021 SEMA Notices of Infraction

On December 30, 2021, the Company announced that it intended to file a defense to three Notices of Infraction (the "Notices") that were delivered by the Amapá State Environmental Agency ("SEMA") to Tucano on December 21, 2021. The Notices were issued in connection with SEMA's investigation of a fish mortality event at Areia and Silvestre Creeks, and its assertion that the incident was caused by a leak in a reclaimed water pipe at the Tucano mine site. The Notices impose aggregate fines of BRL 50 million (approximately \$9.0 million at December 31, 2021).

The Company has filed its defense with a position that there is no causal link between the incident and the Tucano mine and has applied for the cancellation of the infraction notices issued by SEMA.

26. RELATED PARTY TRANSACTIONS

Key management personnel include the Company's Directors, President and Chief Executive Officer, Chief Operating Officer, Chief Financial Officer, and vice presidents. Amounts owing to key management personnel are included in trade and other payables. The Company is committed to making severance payments amounting to approximately \$3.6 million to certain officers and management in the event of a change in control of the Company. Compensation to key management personnel consisted of the following:

	2021	2020
Salaries and benefits	\$ 3,009	\$ 3,059
Contract completion bonus – interim CEO	–	171
Directors' fees	692	531
Termination benefits	665	–
Share-based compensation	1,266	1,935
	<u>\$ 5,632</u>	<u>\$ 5,696</u>

27. SUPPLEMENTAL CASH FLOW INFORMATION

(a) Other items

	2021	2020
Accretion expense	\$ 3,093	\$ 2,629
Finance expense	2,604	3,981
Finance income	(248)	(346)
Gain on sale of Cangold	(823)	–

GREAT PANTHER MINING LIMITED**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

(Tabular amounts expressed in thousands of US dollars, except where otherwise noted)

As at and for the years ended December 31, 2021 and 2020

	\$ 4,626	\$ 6,264
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(b) Non-cash investing and financing activities

	2021	2020
Change in reclamation and remediation provision included within mineral properties, plant and equipment and exploration and evaluation assets	\$ 815	\$ 13,943
Change in lease liability related to right-of-use assets	2,824	890
Shares issued upon settlement of obligation	\$ 53	39

28. OPERATING SEGMENTS

The Company's operations are all within the mining sector, consisting of three operating segments, two of which are located in Mexico, one of which is located in Brazil, plus one segment associated with Coricancha in Peru, one Exploration segment and one Corporate segment. Due to diversities in geography and production processes, the Company operates Tucano, the GMC and Topia mines separately, with separate budgeting and evaluation of results of operations and exploration activities. The Coricancha segment contains the net assets associated with Coricancha, and the cost of its exploration, evaluation and development activities are separately budgeted and reported. The Corporate segment provides financial, human resources and technical support to the three mining operations and Coricancha. The GMC operation produces silver and gold in concentrate, and the Topia operation produces silver, gold, lead and zinc in concentrate for refining off-site. The Tucano operation produces gold doré. The Exploration segment includes the Company's mineral exploration and evaluation assets at Santa Rosa, El Horcón, and Plomo.

	Operations						Total
	Tucano	GMC	Topia	Coricancha	Exploration	Corporate	
2021							
External revenue	\$ –	\$ 21,687	\$ 22,409	\$ –	\$ –	\$ 141,582	\$ 185,678
Intersegment revenue	137,615	–	–	–	–	(137,615)	–
Amortization and depletion	25,675	1,228	3,586	254	–	258	31,001
Exploration and evaluation expenses	161	2,574	1,237	8,247	399	345	12,963
Non-cash change in reclamation and remediation provision	–	391	–	–	–	–	391
Finance income	131	–	–	5	–	112	248
Finance expense	1,551	–	–	374	–	679	2,604
Income (loss) before income taxes	(12,185)	(8,514)	(369)	(9,553)	(383)	(11,198)	(42,202)
Income tax expense (recovery)	5	47	(13)	–	–	–	39
Net income (loss)	(12,190)	(8,561)	(356)	(9,553)	(383)	(11,198)	(42,241)
Additions to non-current assets	38,640	1,690	5,692	1,996	–	–	48,018
As at December 31, 2021							
Total assets	\$149,474	\$ 4,747	\$ 17,490	\$ 47,761	\$ 2,155	\$ 42,416	\$ 264,043
Total liabilities	\$ 78,671	\$ 19,964	\$ 2,070	\$ 45,969	\$ 40	\$ 29,338	\$ 176,052

GREAT PANTHER MINING LIMITED**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

(Tabular amounts expressed in thousands of US dollars, except where otherwise noted)

As at and for the years ended December 31, 2021 and 2020

	Operations						Total
	Tucano	GMC	Topia	Coricancha	Exploration	Corporate	
2020							
External revenue	\$ —	\$ 21,219	\$ 15,896	\$ —	\$ —	\$ 223,690	\$260,805
Intersegment revenue	210,623	—	—	—	—	(210,623)	—
Amortization and depletion	35,986	1,564	2,745	198	—	258	40,751
Exploration and evaluation expenses	669	2,540	341	5,982	187	651	10,370
Non-cash change in reclamation and remediation provision	—	41	—	—	—	—	41
Care and maintenance costs	—	693	—	—	—	—	693
Finance income	121	—	—	—	—	226	347
Finance expense	2,597	—	—	188	—	1,196	3,981
Income (loss) before income taxes	46,549	(2,621)	(734)	(6,503)	(667)	(31,899)	4,125
Income tax expense	3,751	26	14	—	—	—	3,791
Net income (loss)	42,798	(2,647)	(748)	(6,503)	(667)	(31,899)	334
Additions to non-current assets	42,109	4	3,794	10,831	—	43	56,781
As at December 31, 2020							
Total assets	\$ 167,524	\$ 4,597	\$ 14,456	\$ 44,705	\$ 2,126	\$ 47,012	\$280,420
Total liabilities	\$ 87,304	\$ 16,535	\$ 2,244	\$ 43,333	\$ 500	\$ 18,801	\$168,717



**GREAT PANTHER MINING LIMITED
CONSOLIDATED FINANCIAL STATEMENTS**

**FOR THE YEARS ENDED
DECEMBER 31, 2021, and 2020**

Expressed in US Dollars

Explanatory Note for Refiling

Great Panther Mining Limited is refiling its consolidated financial statements for the year ended December 31, 2021 in order to include updated reports of Independent Registered Public Accounting Firm relating to the Opinion on the Consolidated Financial Statements and to the Opinion on Internal Control over Financial Reporting in order to include the Auditor signature tag line.

GREAT PANTHER MINING LIMITED

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The preparation and presentation of the accompanying consolidated financial statements and Management's Discussion and Analysis ("MD&A") are the responsibility of management and have been approved by the Board of Directors of Great Panther Mining Limited (the "Company").

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board. They include certain amounts that are based on estimates and judgments of management. Financial information presented in the MD&A is consistent with that contained in the consolidated financial statements.

Management is responsible for establishing and maintaining adequate internal control over financial reporting. Under the supervision and with the participation of the Company's Chief Executive Officer and Chief Financial Officer, management has a process in place to evaluate internal control over financial reporting based on the criteria established by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO 2013"), the Internal Control-Integrated Framework. We, as Interim Chief Executive Officer and Chief Financial Officer, will certify our annual filings with the CSA and SEC as required in Canada by National Instrument 52-109 and in the United States as required by the Securities Exchange Act of 1934.

The Company's Audit Committee is appointed by the Board of Directors annually and is comprised of four independent directors. The Audit Committee meets quarterly to review the Company's consolidated financial statements and Management's Discussion and Analysis, and on an annual basis, the independent auditors' report. The Audit Committee recommends to the Board of Directors the independent auditors to be appointed by the shareholders at each annual meeting and reviews the independence and effectiveness of their work. The independent auditors have unrestricted access to the Company, the Audit Committee, and the Board of Directors.

MANAGEMENT'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

Management is responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined in Rules 13a-15(f) and 15d-15(f) under the Securities Exchange Act of 1934 (the "Exchange Act").

Under the supervision and with the participation of our Company's Chief Executive Officer and Chief Financial Officer, management conducted an evaluation of the effectiveness of our internal control over financial reporting, as of December 31, 2021, based on the framework set forth in Internal Control - Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO 2013"). Based on this evaluation, management concluded that our internal control over financial reporting was effective as of December 31, 2021.

KPMG LLP, an independent registered public accounting firm, has audited the effectiveness of our internal control over financial reporting as of December 31, 2021, as stated in their report which appears herein.

/s/ Alan Hair

/s/ Sandra Daycock

Interim Chief Executive Officer
March 2, 2022

Chief Financial Officer
March 2, 2022



KPMG LLP

Telephone (604) 691-3000

Chartered Professional Accountants Fax (604) 691-3031

PO Box 10426 777 Dunsmuir Street Internet www.kpmg.ca

Vancouver BC V7Y 1K3

Report of Independent Registered Public Accounting Firm

To the Shareholders and Board of Directors
Great Panther Mining Limited:

Opinion on the Consolidated Financial Statements

We have audited the accompanying consolidated statements of financial position of Great Panther Mining Limited (the Company) as at December 31, 2021 and 2020, the related consolidated statements of income (loss), comprehensive income (loss), changes in shareholders' equity, and cash flows for each of the years in the two-year period ended December 31, 2021, and the related notes (collectively, the consolidated financial statements). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2021 and 2020, and its financial performance and its cash flows for each of the years in the two-year period ended December 31, 2021, in conformity with International Financial Reporting Standards as issued by the International Accounting Standards Board.

We also have 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 at December 31, 2021, 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 March 2, 2022 expressed an unqualified opinion on the effectiveness of the Company's internal control over financial reporting.

Basis for Opinion

These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated 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 consolidated 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 consolidated 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 consolidated 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 consolidated financial statements. We believe that our audits provide a reasonable basis for our opinion.



Critical Audit Matters

The critical audit matters communicated below are matters arising from the current period audit of the consolidated financial statements that were communicated or required to be communicated to the audit committee and that: (1) relate to accounts or disclosures that are material to the consolidated 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 consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matters below, providing separate opinions on the critical audit matters or on the accounts or disclosures to which they relate.

Environmental claims in Brazil

As discussed in notes 3(n), 4(g) and 25(b)(ii) to the consolidated financial statements, the Company is exposed to various environmental claims in Brazil related to its subsidiary, Mina Tucano Ltd. At December 31, 2021, the Company recognized a provision in the consolidated financial statements totaling \$3.4 million for the resolution of these claims based on management's assessment that a loss is probable and the amount of the loss can be reasonably estimated. The Company discloses a contingency for a claim whenever the likelihood of loss from the claim is considered possible or when it is considered probable, but it is not possible to reliably estimate the amount of the outflow of resources.

We have identified the evaluation of environmental claims in Brazil and the related disclosures made as a critical audit matter because it requires significant auditor judgment and audit effort, due to the nature of the estimates and assumptions, including judgments about the likelihood of loss and the amounts that would be paid in the event of loss.

The following are the primary procedures we performed to address this critical audit matter. We evaluated the design and tested the operating effectiveness of certain internal controls related to the Company's monitoring of environmental claims in Brazil, including controls over the Company's assessment of likelihood of loss from these claims and amounts that would be paid in the event of loss. We evaluated management's assessment of the likelihood of loss from environmental claims in Brazil and amounts that would be paid in the event of loss, by inspecting legal letters received directly from the Company's external lawyers and the latest correspondence between the Company and the various claimants. We evaluated the competence and capabilities of external lawyers for the Company. We evaluated the sufficiency of the Company's disclosure of environmental claims in Brazil.

We are uncertain as to the year we or our predecessor firms began serving consecutively as the auditor of the Company's financial statements; however, we are aware that we have been Great Panther Mining Limited's auditor consecutively since at least 1997.

/s/ KPMG LLP

Chartered Professional Accountants
Vancouver, Canada
March 2, 2022



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Report of Independent Registered Public Accounting Firm

To the Shareholders and Board of Directors
Great Panther Mining Limited:

Opinion on Internal Control Over Financial Reporting

We have audited Great Panther Mining Limited's (the Company) internal control over financial reporting as at December 31, 2021, based on criteria established in Internal Control – Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission. In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as at December 31, 2021, based on criteria established in Internal Control – Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated statements of financial position of the Company as at December 31, 2021 and 2020, the related consolidated statements of income (loss), comprehensive income (loss), changes in shareholders' equity and cash flows for each of the years in the two-year period ended December 31, 2021, and the related notes (collectively, the consolidated financial statements), and our report dated March 2, 2022 expressed an unqualified opinion on those consolidated 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 of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audit also included 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/ KPMG LLP

Chartered Professional Accountants
Vancouver, Canada
March 2, 2022

GREAT PANTHER MINING LIMITED
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Expressed in thousands of US dollars)

As at December 31, 2021 and 2020

	December 31, 2021	December 31, 2020
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 47,692	\$ 63,396
Restricted cash	159	1,024
Trade and other receivables (note 5)	14,718	15,644
Inventories (note 6)	25,112	33,738
Other current assets (note 7)	4,278	5,680
	91,959	119,482
Other receivables (note 5)	8,317	11,836
Mineral properties, plant and equipment (note 8)	119,168	110,559
Exploration and evaluation assets (note 9)	27,303	26,334
Other assets (note 10)	17,296	12,209
	\$ 264,043	\$ 280,420
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Trade payables and accrued liabilities (note 11(a))	\$ 48,736	\$ 53,221
Current portion of borrowings (note 12)	42,614	30,933
Derivative liabilities (note 13)	—	2,974
Reclamation and remediation provisions – current (note 14)	406	958
	91,756	88,086
Other liabilities (note 11(b))	2,967	6,117
Borrowings (note 12)	6,329	2,465
Reclamation and remediation provisions (note 14)	70,464	67,367
Deferred tax liabilities	4,536	4,682
	176,052	168,717
Shareholders' equity:		
Share capital (note 15)	291,561	268,872
Reserves	7,444	11,604
Deficit	(211,014)	(168,773)
	87,991	111,703
	\$ 264,043	\$ 280,420

The accompanying notes are an integral part of these consolidated financial statements.

Commitments and contingencies (note 25)
Subsequent events (note **Error! Reference source not found.**)

Approved by the Board of Directors

"Alan Hair"

Alan Hair, Director

"Dana Williams"

Dana Williams, Director

GREAT PANTHER MINING LIMITED**CONSOLIDATED STATEMENTS OF INCOME (LOSS)**

(Expressed in thousands of US dollars, except per share amounts)

For the years ended December 31, 2021 and 2020

	2021	2020
Revenue (note 0)	\$ 185,678	\$ 260,805
Cost of sales		
Production costs (note 17)	156,085	136,633
Amortization and depletion	30,475	40,305
	186,560	176,938
Mine operating earnings (loss)	(882)	83,867
General and administrative expenses (note 18)	14,732	12,926
Exploration, evaluation, and development expenses		
Exploration and evaluation expenses (note 19)	12,963	10,370
Mine development costs	3,827	2,884
Change in reclamation and remediation provisions	391	41
	17,181	13,295
Care and maintenance costs	504	693
Operating earnings (loss)	(33,299)	56,953
Finance and other income (expense)		
Finance income	248	347
Finance expense	(2,604)	(3,981)
Other expense (note 20)	(6,547)	(49,194)
	(8,903)	(52,828)
Income (loss) before income taxes	(42,202)	4,125
Income tax expense	39	3,791
Net income (loss) for the year	\$ (42,241)	\$ 334
Earnings (loss) per share – basic (note 0)	\$ (0.12)	\$ 0.00
Earnings (loss) per share – diluted (note 0)	\$ (0.12)	\$ 0.00

The accompanying notes are an integral part of these consolidated financial statements.

GREAT PANTHER MINING LIMITED**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)**

(Expressed in thousands of US dollars)

For the years ended December 31, 2021 and 2020

	2021	2020
Net income (loss) for the year	\$ (42,241)	\$ 334
Other comprehensive income (loss) ("OCI"), net of tax		
Foreign currency translation	(4,801)	(7,057)
Change in fair value of financial assets designated as fair value through OCI	(246)	1
	(5,047)	(7,056)
Total comprehensive income (loss) for the year	\$ (47,288)	\$ (6,722)

The accompanying notes are an integral part of these consolidated financial statements.

GREAT PANTHER MINING LIMITED

CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (Expressed in thousands of US dollars, except number of common shares)

For the years ended December 31, 2021 and 2020

	Share capital		Reserves				Total shareholders' equity
	Number of common shares (000s)	Amount	Share options and warrants	Foreign currency translation	Fair value	Total reserves	
Balance, January 1, 2020	311,941	\$ 252,186	\$ 20,575	\$ (2,972)	\$ (183)	\$ 17,420	\$ 100,499
Shares issued for financings (note 15(f))	40,250	14,705	-	-	-	-	14,705
Restricted and deferred share units settled	1,474	978	(978)	-	-	(978)	-
Shares issued upon settlement of obligation	88	39	-	-	-	-	39
Share options exercised	1,280	964	(244)	-	-	(244)	720
Share-based compensation	-	-	2,462	-	-	2,462	2,462
Comprehensive income (loss)	-	-	-	(7,057)	1	(7,056)	(6,722)
Balance, December 31, 2020	355,033	\$ 268,872	\$ 21,815	\$ (10,029)	\$ (182)	\$ 11,604	\$ 111,703
Balance, January 1, 2021	355,033	\$ 268,872	\$ 21,815	\$ (10,029)	\$ (182)	\$ 11,604	\$ 111,703
Shares issued for financings, net of issuance costs (note 15(f))	88,637	21,408	-	-	-	-	21,408
Shares issued upon settlement of obligation	87	53	-	-	-	-	53
Restricted and deferred share units settled	917	697	(697)	-	-	(697)	-
Share options exercised	775	531	(154)	-	-	(154)	377
Share-based compensation	-	-	1,738	-	-	1,738	1,738
Comprehensive income (loss)	-	-	-	(4,801)	(246)	(5,047)	(47,288)
Balance, December 31, 2021	445,449	\$ 291,561	\$ 22,702	\$ (14,830)	\$ (428)	\$ 7,444	\$ 87,991

The accompanying notes are an integral part of these consolidated financial statements.

GREAT PANTHER MINING LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Tabular amounts expressed in thousands of US dollars, except where otherwise noted)

As at and for the year ended December 31, 2021 and 2020

1. NATURE OF OPERATIONS

Great Panther Mining Limited ("Great Panther" or the "Company") is a public company listed on the Toronto Stock Exchange ("TSX") trading under the symbol GPR, and on the NYSE American trading under the symbol GPL and is incorporated and domiciled in Canada. The Company's registered and records office is located at 1330 – 200 Granville Street, Vancouver, BC.

The Company has three wholly owned mining operations including the Tucano gold mine ("Tucano"), which produces gold doré and is located in Amapá State in northern Brazil. In Mexico, Great Panther operates the Topia mine ("Topia") in the state of Durango, which produces concentrates containing silver, gold, lead and zinc, and the Guanajuato Mine Complex (the "GMC") in the state of Guanajuato. The GMC comprises the Guanajuato mine ("Guanajuato"), the San Ignacio mine ("San Ignacio") and the Cata processing plant, which produces silver and gold concentrates. The Company placed the GMC on care and maintenance (Guanajuato and Cata processing plant in November 2021 and the San Ignacio mine in early January 2022) while awaiting permits to extend the tailings facility or find other alternatives to maximize the value of GMC.

The Company also wholly owns the Coricancha Mine Complex ("Coricancha"), a gold-silver-copper-lead-zinc mine and processing facility in the central Andes of Peru, approximately 90 kilometres east of Lima. Coricancha was acquired by the Company in June 2017, having been placed on care and maintenance by its previous owner in August 2013. The Company is evaluating its options with respect to the Coricancha mine.

The Company has a portfolio of exploration projects. The El Horcón property is located 100 kilometres by road northwest of Guanajuato, Santa Rosa is located 15 kilometres northeast of Guanajuato, and the Plomo property is located in Sonora, Mexico.

On November 1, 2021, the Company sold the shares of its wholly-owned subsidiary Cangold Limited ("Cangold") to Newrange Gold Corp. ("Newrange") for a purchase price of CAD\$1.0 million paid as a combination of cash and common shares of Newrange. Cangold held the Company's interest in the Argosy property in Northern Ontario in the Red Lake Mining District and a 100% interest in the Company's Plomo property located in Mexico. Prior to closing, the Company completed a reorganization to retain its interest in the Plomo property.

These consolidated financial statements have been prepared on a going concern basis, which contemplates the continuity of normal business activity and the realization of assets and the settlement of liabilities in the normal course of business.

2. BASIS OF PREPARATION

These consolidated financial statements have been prepared by management of the Company in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

These consolidated financial statements were approved by the Company's Board of Directors on March 2, 2022.

3. SIGNIFICANT ACCOUNTING POLICIES

The Company has consistently applied the following accounting policies to all periods presented in these consolidated financial statements, except for the new accounting standards newly adopted on January 1, 2021, as described in note 3(r) below.

(a) Basis of consolidation

These consolidated financial statements include the accounts of the Company. All material intercompany transactions, balances, revenues, and expenses have been eliminated upon consolidation.

GREAT PANTHER MINING LIMITED**CONSOLIDATED STATEMENTS OF CASH FLOWS**

(Expressed in thousands of US dollars)

For the years ended December 31, 2021 and 2020

	2021	2020
Cash flows from operating activities:		
Net income (loss) for the year	\$ (42,241)	\$ 334
Items not involving cash:		
Amortization and depletion	31,001	40,751
Change in reclamation and remediation provision	391	41
Loss on derivative instruments	572	27,980
Unrealized foreign exchange loss	1,481	13,300
Income tax expense (recovery)	39	3,791
Share-based compensation	1,738	2,462
Other items (note 27(a))	4,626	6,264
Interest received	248	346
Interest paid	(1,777)	(3,944)
Settlement of derivative instruments	(3,546)	(21,552)
Income taxes paid	(234)	(728)
	(7,702)	69,045
Net change in operating assets and liabilities:		
Trade and other receivables	2,560	(1,335)
Reclamation and remediation provisions	—	(902)
Inventories	6,912	(5,063)
Other current assets	(523)	(2,468)
Trade payables and accrued liabilities	(1,933)	9,612
Net cash provided by (used in) operating activities	(686)	68,889
Cash flows from investing activities:		
Cash restricted for Coricancha environmental bond	(1,418)	(21)
Cash received on sale of Cangold, net of cash held by Cangold at disposition	(328)	—
Additions to mineral properties, plant and equipment	(43,977)	(41,948)
Net cash provided by (used in) investing activities	(45,723)	(41,969)
Cash flows from financing activities:		
Proceeds from issuance of common shares (note 15(f))	23,077	16,100
Share issuance costs	(1,669)	(1,395)
Payment of lease liabilities	(6,079)	(5,774)
Proceeds from borrowings	55,320	36,013
Repayment of borrowings	(39,838)	(44,836)
Proceeds from exercise of share options	377	720
Net cash provided by (used in) financing activities	31,188	828
Effect of foreign currency translation on cash and cash equivalents	(483)	(1,322)
Increase (decrease) in cash and cash equivalents	(15,704)	26,426
Cash and cash equivalents, beginning of year	63,396	36,970
Cash and cash equivalents, end of year	\$ 47,692	\$ 63,396

The accompanying notes are an integral part of these consolidated financial statements.

Supplemental cash flow information (note 27)

GREAT PANTHER MINING LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Tabular amounts expressed in thousands of US dollars, except where otherwise noted)

As at and for the years ended December 31, 2021 and 2020

Subsidiaries are included in the consolidated financial results of the Company from the effective date of acquisition or control and up to the effective date of disposition or loss of control. Control is achieved when the Company has power over the investee, is exposed to or has rights to variable returns from its involvement with an investee, and has the ability to affect those returns through its power over the investee.

Great Panther Mining Limited is the ultimate parent entity of the group. At December 31, 2021, the principal subsidiaries of the Company, their geographic locations, and the ownership interests held by the Company, were as follows:

Name	Location	Ownership	Principal Activity
Mina Tucano Ltda (formerly Beadell Brasil Ltda)	Brazil	100%	Mining company
Mineral Mexicana el Rosario S.A. de C.V.	Mexico	100%	Mining company
Great Panther Coricancha S.A.	Peru	100%	Exploration company

(b) Basis of measurement

These consolidated financial statements have been prepared on the historical cost basis except for financial assets and liabilities that are measured at fair values at each reporting date.

(c) Foreign currency translation

These consolidated financial statements are presented in US dollars ("USD") which is the Canadian parent company's presentation currency and functional currency. The functional currency of the Company's principal subsidiary in Mexico is the USD. The functional currency of the Company's Brazilian subsidiaries is the Brazilian real ("BRL").

(i) Transactions and balances

Foreign currency transactions are translated into the relevant functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in net income.

(ii) Translation of subsidiary results into the presentation currency

The operating results and statements of financial position of the Company's subsidiaries which have a functional currency that differs from the Company's presentation currency are translated into the presentation currency as follows:

- Assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of the statement of financial position;
- Income and expenses for each statement of comprehensive income are translated at average exchange rates, unless the average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions; and
- All resulting exchange differences are recognized as a separate component of equity.

On consolidation, exchange differences arising from the translation of the net investment in foreign entities are recognized in a separate component of equity, foreign currency translation reserve. When a foreign operation is sold, such exchange differences are recognized in net income as part of the gain or loss on the sale.

(d) Cash and cash equivalents

Cash and cash equivalents include cash on hand, demand deposits, and money market instruments, with maturities from the date of acquisition of three months or less, which are readily convertible to known

GREAT PANTHER MINING LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Tabular amounts expressed in thousands of US dollars, except where otherwise noted)

As at and for the years ended December 31, 2021 and 2020

amounts of cash and are subject to insignificant changes in value. Transaction costs are expensed when incurred. Cash and cash equivalents are designated as financial assets at amortized cost.

(e) Inventories

Inventories consist of:

- Gold bullion, gold in circuit, ore stockpiles, and concentrate inventories which are stated at the lower of weighted average cost and net realizable value. Costs include production costs and amortization and depletion directly attributable to the inventory production process. Net realizable value is the expected selling price for the finished product less the costs to put the product into saleable form and delivery to the selling location.
- Materials and supplies inventory, which includes the cost of consumables used in operations are stated at the lower of weighted average cost and replacement cost which approximates net realizable value. Major spare parts and standby equipment are included in property, plant, and equipment when they are expected to be used over more than one period, if they can only be used in connection with an item of property, plant and equipment.

(f) Mineral properties, plant and equipment

(i) Mineral properties

Mine development costs are capitalized if management determines that there is sufficient evidence to support probability of generating positive economic returns in the future. Mineral Resources and Reserves are considered to have economic potential when the technical feasibility and commercial viability of extraction is demonstrable considering long-term metal prices. Therefore, prior to capitalizing such costs, management determines whether the following conditions have been met: there is a probable future benefit that will contribute to future cash inflows; the Company can obtain the benefit and control access to it; and the transaction or event giving rise to the benefit has already occurred.

In the event that the Company does not have sufficient evidence to support the probability of generating positive economic returns in the future, mine development costs are expensed to profit or loss. Mine development costs include expenditures associated with accessing Mineral Resources and gaining further information regarding the ore body, whether by means of ramp development, drilling or sampling. Development costs at the GMC are currently expensed.

Producing mineral properties acquired through business acquisitions are recognized at fair value on the acquisition date. Where applicable, the estimated cost of mine reclamation and remediation for the property is included in the cost of mineral properties.

The Company defers certain related stripping costs during the production phase of its Tucano surface mine operation to future periods. Stripping costs that generate a benefit of improved access to future components of an ore body and meet the definition of an asset are recognized as stripping activity assets. Stripping activity assets are depreciated on a units of production basis over the useful life of the identifiable component of the ore body that becomes more accessible as a result of the stripping activity. Stripping activity assets form part of mineral properties, plant and equipment.

(ii) Plant and equipment

Plant and equipment is originally recorded at cost at the time of construction, purchase, or acquisition, and is subsequently measured at cost less accumulated amortization and impairment. Cost includes all costs required to bring the plant and equipment into a condition and location where it is capable of operating according to its intended use.

Costs incurred for major overhauls of existing equipment or infrastructure are capitalized as plant and equipment and are subject to amortization once they are commissioned. Costs associated with routine maintenance and repairs are charged to operations as incurred.

GREAT PANTHER MINING LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Tabular amounts expressed in thousands of US dollars, except where otherwise noted)

As at and for the years ended December 31, 2021 and 2020

(iii) Amortization and depletion

The Company's mineral properties in Mexico are depleted using the straight-line method over the estimated remaining life of the mine. The Company's mineral properties at Tucano are depleted on a units of production basis over the economically recoverable reserves.

Plant and equipment directly related to the Mexico mining operations is amortized using the straight-line method over the shorter of the estimated remaining life of the mine and the estimated remaining useful life of the asset. Plant and equipment directly related to the Tucano mining operations is amortized on a units of production basis over the economically recoverable reserves of the mine concerned, except in the case of assets whose useful life is shorter than the estimated remaining life of the mine, in which case the straight-line method over the remaining useful life of the asset is used.

All other equipment, buildings and furniture and fixtures which do not relate directly to the mining operations are amortized on a straight-line basis over the remaining estimated useful life of the asset, except for land which is not amortized.

When assets are retired or sold, the costs and related accumulated amortization are eliminated from the accounts and any resulting gain or loss is reflected in profit or loss.

(g) Exploration and evaluation assets

(i) Exploration properties

Exploration properties represent properties for which the Company has not yet performed sufficient exploration work to determine whether significant mineralization exists. Exploration properties are carried at the cost of acquisition and included in exploration and evaluation assets. Exploration expenditures incurred on such properties are expensed as incurred as exploration expenditures in profit or loss. Examples of exploration expenditures that are expensed under this policy include topographical, geological, geochemical and geophysical studies; exploratory drilling; trenching; and sampling. The Company considers its Coricancha, Santa Rosa, El Horcón, and Plomo projects to be in this category as at December 31, 2021, and consequently, expenses all costs associated with these projects as they are incurred.

(ii) Evaluation properties

Evaluation properties represent properties for which the Company has identified Mineral Resources or Reserves of such quantity and grade or quality that it has reasonable prospects for economic extraction. Mineral Resources and Reserves are considered to have reasonable prospects for economic extraction when the Company has sufficient information to determine that extraction is viable and feasible at expected long-term metal prices. Expenditures made in relation to evaluating the technical feasibility and commercial viability of extracting a Mineral Resource or Reserve are capitalized and included in exploration and evaluation assets. Evaluation expenditures include the costs of drilling, sampling and other costs related to defining and delineating the mineral deposit.

When the technical feasibility and commercial viability of the extraction of Mineral Resources or Reserves associated with the Company's evaluation properties are demonstrable and management has made a decision to proceed with development, the capitalized costs associated with evaluation assets are reclassified from exploration and evaluation assets to mineral properties. They are tested for impairment at that time.

(iii) Amortization and depletion

Exploration and evaluation assets are not subject to depletion or amortization, but rather are tested for impairment when circumstances indicate that the carrying value may not be recoverable.

GREAT PANTHER MINING LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Tabular amounts expressed in thousands of US dollars, except where otherwise noted)

As at and for the years ended December 31, 2021 and 2020

(h) Leased assets

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- The contract involves the use of an identified asset – this may be specified explicitly or implicitly and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;
- The Company has the right to obtain substantially all the economic benefits from use of the asset throughout the period of use; and
- The Company has the right to direct the use of the asset. The Company has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used.

The Company recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured based on the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use assets are subsequently depreciated to the earlier of the end of the useful life of the right-of-use asset or the lease term using the straight-line method as this most closely reflects the expected pattern of consumption of the future economic benefits. The right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

The lease liability is measured at amortized cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Company has elected to apply the practical expedient not to recognize right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term.

(i) Impairment of non-financial assets

Exploration and evaluation assets are tested for impairment when circumstances indicate that the carrying value may not be recoverable. When facts and circumstances suggest that the carrying amount of an asset exceeds its recoverable amount, the Company performs an impairment test by comparing the recoverable amount to the carrying amount of the relevant exploration and evaluation property. When the carrying value exceeds the recoverable amount of the relevant exploration and evaluation property, an impairment charge is recorded and the property is written down to its recoverable amount. In addition, exploration and evaluation assets are tested for impairment at the date they are transferred to mineral properties, plant and equipment.

The Company's mineral properties, plant and equipment are reviewed for any indication of impairment at each financial reporting date or at any time if an indicator of impairment is considered to exist. If any such

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indicators exist, an estimate of the recoverable amount is undertaken, being the higher of an asset's fair value less costs of disposal and the asset's value in use. If the asset's carrying amount exceeds its recoverable amount then an impairment loss is recognized in net income or loss for the period, and the carrying value of the asset on the statement of financial position is reduced to its recoverable amount. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. Fair value of mineral properties is generally determined as the present value of the estimated future cash flows expected to arise from the continued use of the asset, including any expansion prospects, discounted by an appropriate pre-tax discount rate to arrive at a net present value.

Value in use is determined as the present value of the estimated future cash flows expected to arise from the continued use of the asset in its present form and from its ultimate disposal. Value in use is determined by applying assumptions specific to the Company's continued use which includes future development. As such, these assumptions may differ from those used in calculating fair value.

In testing for indicators of impairment and performing impairment calculations, assets are grouped into cash-generating units, which are identified as the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets. The estimates of future discounted cash flows are subject to risks and uncertainties including estimated production, grades, recoveries, future metals prices, discount rates, exchange rates and operating costs.

Non-financial assets other than goodwill that have suffered an impairment are evaluated for possible reversal of the impairment whenever events or changes in circumstances indicate that the impairment may have reversed. When a reversal of a previous impairment is recorded, the reversal amount is adjusted for amortization that would have been recorded had the impairment not been recorded.

(j) Share-based compensation

Equity-settled share-based compensation arrangements such as the Company's stock option plan, restricted share unit plan, and deferred share unit plan are measured at fair value at the date of grant and recorded within equity. The restricted share unit plan includes restricted share units without performance-based criteria and performance share units, where the number of units that ultimately vest is dependent on the relative performance of the Company compared with a peer group of companies. The fair value at grant date of all share-based compensation is recognized as compensation expense over the vesting period, with a corresponding credit to shareholders' equity. The amount recognized as an expense is adjusted to reflect share options forfeited. The Company estimates the fair value of share options granted using the Black-Scholes option pricing model. The Company estimates the fair value of equity settled performance share units ("PSU") using a Monte Carlo valuation model at the date of grant.

(k) Revenue recognition

The Company recognizes revenue from the sale of precious metals, consisting of metal concentrates and refined gold, when the customer obtains control.

For the metal concentrates sales, the customer obtains control upon delivery at the customer's designated warehouse. The amount of revenue recorded upon initial recognition is based on the forward metal prices at that time and the estimated metal content. The payment terms are based on the individual customer contracts. For provisional payments, terms are typically 15 days from the date of provisional invoice, and for final payments, terms are typically five business days after the final weights, assays and prices are known and invoiced. Adjustments related to changes in metal prices and metal content up to the final settlement are recorded in revenue.

For the refined gold, the customer obtains control when the refined gold has been physically delivered, which is also the date when title has passed to the buyer and the Company has issued an invoice pursuant to a transaction confirmation that fixes the quantity and price of the gold for each delivery. The amount of revenue recorded upon delivery is based on this transaction confirmation. The Company has no significant

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continuing involvement after delivery and no adjustments to revenue are made subsequent to initial recognition.

(l) Reclamation and remediation provisions

The Company's mining and exploration activities are subject to various laws and regulations governing the protection of the environment. The Company recognizes the cost of future reclamation and remediation as a liability when: the Company has a legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and a reasonable estimate of the obligation can be made. The liability is measured initially by discounting expected costs to the net present value using pre-tax rates and risk assumptions specific to the liability. The resulting cost is capitalized to the carrying value of the related assets or expensed to profit or loss where there is no carrying value of the related assets, or where the cost is not recoverable. In subsequent periods, the liability is adjusted for accretion of the discount with the offsetting amount charged to the statement of comprehensive income as a finance cost. Any change in the amount or timing of the underlying cash flows is adjusted to the carrying value of the liability, with the offsetting amount recorded as an adjustment to the reclamation and remediation provision cost included in mineral properties or exploration, evaluation and development expenses. Any amount charged to the carrying value of assets is depreciated over the remaining life of the relevant assets.

It is reasonably possible that the ultimate cost of remediation and reclamation could change in the future due to uncertainties associated with defining the nature and extent of environmental disturbance, the application of laws and regulations by regulatory authorities, changes in remediation technology and changes in discount rates. The Company reviews its reclamation and remediation provision at least annually and as evidence becomes available indicating that its expected reclamation and remediation costs may have changed. Any such changes in costs could materially impact the future amounts recorded as reclamation and remediation provision.

(m) Financial instruments

The Company's financial instruments consist of cash and cash equivalents, short-term deposits, marketable securities, trade and other receivables, loan receivable, restricted cash, trade and other payables, as well as derivative instruments.

(i) Classification

The Company determines the classification of its financial instruments at initial recognition. Upon initial recognition, a financial asset is classified as measured at: amortized cost, fair value through profit and loss ("FVTPL"), or fair value through other comprehensive income (loss) ("FVOCI"). The classification of financial assets is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics. A financial liability is classified as measured at amortized cost or FVTPL.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and

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- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

An equity investment that is held for trading is measured at FVTPL. For other equity investments that are not held for trading, the Company may irrevocably elect to designate them as FVOCI. This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or the Company has elected to measure them at FVTPL.

(ii) Measurement

Initial measurement

On initial recognition, all financial assets and financial liabilities are measured at fair value adjusted for directly attributable transaction costs except for financial assets and liabilities classified as FVTPL, in which case the transaction costs are expensed as incurred.

Subsequent measurement

The following accounting policies apply to the subsequent measurement of financial instruments:

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss.
Financial assets at amortized cost	These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and are never reclassified to profit or loss.
Debt investments at FVOCI	These assets are subsequently measured at fair value. Interest income is calculated using the effective interest rate method; foreign exchange gains and losses and impairment are recognized in profit or loss. Other net gains and losses are recognized in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

Impairment of financial instruments

The Company assesses at each reporting date whether there is objective evidence that a financial asset or a group of financial assets is impaired.

For financial assets measured at amortized cost, and debt investments at FVOCI, the Company applies the expected credit loss model.

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(n) Provisions

Provisions are liabilities that are uncertain in time or amount. The Company records a provision when (i) the Company has a present obligation (legal or constructive) as a result of a past event; (ii) it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and (iii) a reliable estimate can be made of the amount of the obligation. Provisions are reviewed at each reporting date and adjusted to reflect management's current best estimate of the cost to settle the present obligation. Where discounting has been used, the carrying amount of a provision is accreted to reflect the passage of time and the accretion expense is included in finance costs in the consolidated statements of income (loss).

(o) Income taxes

Income tax is recognized in net income or loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized directly in equity.

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date.

Deferred tax assets and liabilities are determined based on differences between the financial statement carrying values of existing assets and liabilities and their respective income tax bases (temporary differences), and tax loss carry forwards. Deferred tax assets and liabilities are measured using enacted or substantively enacted tax rates expected to be in effect when the temporary differences are likely to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is included in net income in the period in which the change is substantively enacted. The amount of deferred tax assets recognized is limited to the amount that is, in management's estimation, probable that future taxable profits will be available against which the asset can be utilized.

Deferred tax assets and liabilities are offset (i) when there is a legally enforceable right to set off current tax assets against current tax liabilities, (ii) when they relate to income taxes levied by the same taxation authority, and (iii) the Company intends to settle its current tax assets and liabilities on a net basis.

(p) Earnings per share

Earnings per share is calculated based on the weighted average number of shares outstanding during the period. The Company follows the treasury stock method for the calculation of diluted earnings per share. Under this method, dilution is calculated based upon the net number of common shares issued should "in-the-money" options and warrants be exercised and the proceeds be used to repurchase common shares at the average market price during the period. Dilution from convertible securities is calculated based on the number of shares to be issued after taking into account the reduction of the related after-tax interest expense.

Basic earnings per share is computed by dividing net income by the weighted average number of common shares outstanding during the reporting period. Diluted earnings per share is computed in a manner similar to basic earnings per share except that the weighted average shares outstanding are increased to include additional shares from restricted and deferred stock units and the assumed exercise of share options and warrants, if dilutive.

(q) Segment reporting

The Company has identified operating segments based on the internal reports that are reviewed and used by the Chief Executive Officer and the executive management team (the chief operating decision-maker – "CODM") in assessing performance and in determining allocation of resources. The CODM considers the business from both a geographic and product perspective and assesses the performance of the operating

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segments based on measures such as net property, plant and equipment, as well as operating results. All operating segments' operating results are reviewed regularly by the Company's senior management to make decisions about resources to be allocated to the segment and to assess its performance, and for which discrete financial information is available. The Company has determined operating segments based on this information.

Segment results that are reported to senior management include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items are comprised mainly of corporate office expenses.

(r) New and revised accounting standards not yet effective

(i) Property, plant and equipment - proceeds before intended use

On May 14, 2020, the IASB issued a narrow scope amendment to IAS 16, Property, Plant and Equipment: Proceeds before Intended Use. The amendment prohibits deducting from the cost of property, plant and equipment amounts received from selling items produced while preparing the asset for its intended use. Instead, amounts received will be recognized as sales proceeds and the related cost in profit or loss. The effective date of the amendment is for annual periods beginning on or after January 1, 2022. The amendment must be applied retrospectively, but only to items of property, plant and equipment that are brought to the location and condition necessary for them to be capable of operating in the manner intended by management on or after the beginning of the earliest period presented in the consolidated financial statements in which the amendment is first applied. The Company will adopt this narrow scope amendment on the date it becomes effective. The amendment is not currently applicable to the Company; however, it may be applicable in the future should the Company receive proceeds from selling items produced prior to an asset being ready for its intended use.

(s) Accounting standards issued and adopted

(i) Interest rate benchmark reform

On August 27, 2020, the IASB issued 'Interest Rate Benchmark Reform — Phase 2 (Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16)' with amendments that address issues that might affect financial reporting related to financial instruments and hedge accounting resulting from the reform of an interest rate benchmark, including its replacement with alternative benchmark rates. The amendments are effective for annual periods beginning on or after January 1, 2021, and are to be applied retrospectively. Effective January 1, 2021, the Company retrospectively adopted the amendments which did not have an impact on the consolidated financial statements for the year ended December 31, 2021.

4. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of the consolidated financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions which affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period.

Estimates are based on historical experience and other factors considered to be reasonable, and are reviewed on an ongoing basis. Revisions to estimates and the resulting effects on the carrying amounts of the Company's assets and liabilities are accounted for prospectively.

The Company has identified the following areas where significant estimates, assumptions and judgments are made and where actual results may differ from the estimates under different assumptions and conditions and may materially affect financial results of the Company reported in future periods.

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(a) Resource and reserve estimation

The accuracy of resource and reserve estimates is a function of the quantity and quality of available data and assumptions made and judgments used in the geological and engineering interpretation and may be subject to revision based on various factors. Changes in resource estimates may impact the carrying value of a mineral property, plant and equipment, the calculation of amortization and depletion, the capitalization of mine development costs, and the timing of cash flows related to reclamation and remediation provision.

(b) Useful lives of mineral properties, plant and equipment

The Company estimates the remaining life of its producing mineral properties on an annual basis using a combination of quantitative and qualitative factors including historical results, Mineral Resource and Reserve estimates, and management's intent to operate the property. The estimated remaining life of the producing mineral property is used to calculate amortization and depletion expense, assess impairment charges and the carrying values of assets, and forecast the timing of the payment of reclamation and remediation costs.

There are numerous uncertainties inherent in the estimation of the remaining lives of the producing mineral properties, and assumptions that are valid at the time of estimation may change significantly when new information becomes available. Changes in the forecast prices of commodities, exchange rates, or production costs may change the economic status of the Mineral Resource and Reserves, estimates, economic potential of production from areas not included in the National Instrument 43-101 ("NI 43-101") reports, and management's intent to operate a property, and may ultimately have a material impact on the estimated remaining lives of the properties.

(c) Reclamation and remediation provision

The amounts recorded for reclamation and remediation provisions are based on estimates prepared by third-party environmental specialists, if available, or by persons within the Company who have the relevant skills and experience. These estimates are based on remediation activities required by environmental laws, the expected timing of cash flows, and the pre-tax risk-free interest rates on which the estimated cash flows have been discounted. These estimates also include an assumption of the rate at which costs may inflate in future periods. Actual results could differ from these estimates. The estimates require extensive judgment about the nature, cost and timing of the work to be completed, and may change with future changes to costs, environmental laws and regulations and remediation practices.

(d) Review of asset carrying values and assessment of impairment

The Company reviews each asset or cash generating unit at each reporting date to determine whether there are any indicators of impairment. If any such indication exists, a formal estimate of recoverable amount is performed and an impairment loss is recognized to the extent that the carrying amount exceeds the recoverable amount. The recoverable amount of an asset or cash generating unit is measured at the higher of fair value less costs to sell and value in use.

The determination of fair value less costs of disposal and value in use requires management to make estimates and assumptions about expected production and sales volumes, metal prices, ore tonnage and grades, recoveries, operating costs, reclamation and remediation costs, future capital expenditures and appropriate discount rates for future cash flows. The estimates and assumptions are subject to risk and uncertainty, and as such there is the possibility that changes in circumstances will alter these projections, which may impact the recoverable amount of the assets. In such circumstances, some or all of the carrying value of the assets may be further impaired or the impairment charge reduced with the impact recorded in profit or loss.

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(e) Review of going concern assumption

The Company reviews the appropriateness of presenting the financial statements on a going concern basis at each reporting period, which assumes continuity of normal business activity and the realization of assets and the settlement of liabilities in the normal course of business. This determination requires management to make estimates and assumptions about; expected production and sales volumes, metal prices, ore tonnage and grades, recoveries, operating costs, reclamation and remediation costs, future capital expenditures including stripping costs, and the timing and amount of external financing. The estimates and assumptions are subject to risk and uncertainty, and as such there is the possibility that changes in circumstances will alter these projections, which may impact the going concern assumption.

(f) Determination of functional currencies

The determination of an entity's functional currency is a matter of judgment based on an assessment of the specific facts and circumstances relevant to determining the primary economic environment of each entity within the group. The Company reconsiders the functional currencies used when there is a change in events or conditions considered in determining the primary economic environment of each entity.

(g) Contingencies

Significant judgments were made by management in the determinations of the likelihood of loss for provisions and contingent liabilities related to Tucano (note 25(b)(ii)) and Coricancha (note 25(b)(i)).

5. TRADE AND OTHER RECEIVABLES

	December 31, 2021	December 31, 2020
Current		
Trade receivables	\$ 2,061	\$ 2,011
Value-added tax receivable	3,217	3,839
PIS / COFINS – Brazil (a)	8,171	8,732
Judicial deposits – Brazil	281	302
Other	988	760
	14,718	15,644
Non-Current		
PIS / COFINS – Brazil (a)	5,613	9,058
Income taxes recoverable – Brazil	2,703	2,764
Other	1	14
	\$ 8,317	\$ 11,836

(a) PIS/COFINS

The PIS (Program of Social Integration) and COFINS (Contribution for the Financing of Social Security) are Brazilian federal taxes that apply to all companies in the private sector. PIS is a mandatory employer contribution to an employee savings initiative, and COFINS is a contribution to finance the social security system. Companies are required to calculate and remit PIS and COFINS based on monthly gross revenues. The Company's Brazilian gold sales are zero-rated for PIS/COFINS purposes; however, the current legislation allows for input tax credits to offset the amounts due by applying rates of 1.65% for PIS and 7.65% for COFINS, respectively, to some of the purchases in Brazil. As such, the Company has PIS/COFINS credits recorded as receivables.

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The Company continues to pursue the refund of its PIS/COFINS receivables. To the extent the Company is unable to receive refunds for all its PIS/COFINS assets, the PIS/COFINS assets are expected to be recoverable through the Company generating future Brazilian federal tax liabilities. At the Company's election, these federal tax liabilities can be offset against the Company's PIS/COFINS assets.

6. INVENTORIES

	December 31, 2021	December 31, 2020
Concentrate	\$ 707	\$ 578
Ore stockpiles	1,510	11,562
Materials and supplies	19,276	18,538
Gold in circuit	1,282	1,266
Gold bullion	2,337	1,794
	\$ 25,112	\$ 33,738

During the year ended December 31, 2021, the inventory recognized as cost of sales was \$182.4 million (2020 – \$161.8 million), which includes production costs and amortization and depletion directly attributable to the inventory production process.

7. OTHER CURRENT ASSETS

	December 31, 2021	December 31, 2020
Prepaid expenses and deposits	\$ 2,017	\$ 3,569
Reimbursement rights (note 10(a))	1,918	1,918
Other current assets	343	193
	\$ 4,278	\$ 5,680

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8. MINERAL PROPERTIES, PLANT AND EQUIPMENT

	Mineral properties – depletable	Mineral properties – non depletable	Plant and equipment	Land and buildings	Furniture, fixtures and equipment	Right-of- use assets	Total
Cost							
Balance, January 1, 2021	\$ 88,162	\$ 33,869	\$ 76,081	\$23,797	\$ 5,507	\$ 18,905	\$ 246,321
Additions	34,721	–	5,435	3,652	170	2,824	46,802
Change in remediation provision	39	–	(210)	–	–	–	(171)
Disposals	–	–	–	–	(35)	–	(35)
Foreign exchange translation difference	(4,467)	(2,329)	(2,570)	(1,504)	(43)	(1,172)	(12,085)
Balance, December 31, 2021	\$118,455	\$ 31,540	\$ 78,736	\$25,945	\$ 5,599	\$ 20,557	\$280,832
Accumulated depreciation							
Balance, January 1, 2021	\$ 53,625	\$ –	\$ 56,918	\$ 9,343	\$ 4,933	\$ 10,943	\$ 135,762
Amortization and depletion	17,441	–	5,117	2,709	247	5,245	30,759
Disposals	–	–	–	–	(35)	–	(35)
Foreign exchange translation difference	(1,667)	–	(1,698)	(574)	(35)	(848)	(4,822)
Balance, December 31, 2021	\$ 69,399	\$ –	\$ 60,337	\$11,478	\$ 5,110	\$ 15,340	\$ 161,664
Carrying value, December 31, 2021	\$ 49,056	\$ 31,540	\$ 18,399	\$14,467	\$ 489	\$ 5,217	\$ 119,168
	Mineral properties – depletable	Mineral properties – non depletable	Plant and equipment	Land and buildings	Furniture, fixtures and equipment	Right-of- use assets	Total
Cost							
Balance, January 1, 2020	\$ 58,237	\$ 43,186	\$ 83,335	\$22,548	\$ 5,636	\$ 22,685	\$ 235,627
Additions	32,754	–	3,499	5,692	3	890	42,838
Change in remediation provision	3,546	–	(342)	–	–	–	3,204
Foreign exchange translation difference	(6,375)	(9,317)	(10,411)	(4,443)	(132)	(4,670)	(35,348)
Balance, December 31, 2020	\$ 88,162	\$ 33,869	\$ 76,081	\$23,797	\$ 5,507	\$ 18,905	\$ 246,321
Accumulated depreciation							
Balance, January 1, 2020	\$ 38,964	\$ –	\$ 44,769	\$ 5,726	\$ 4,549	\$ 7,809	\$ 101,817
Amortization and depletion	15,790	–	15,435	4,508	430	4,881	41,044
Foreign exchange translation difference	(1,129)	–	(3,286)	(891)	(46)	(1,747)	(7,099)
Balance, December 31, 2020	\$ 53,625	\$ –	\$ 56,918	\$ 9,343	\$ 4,933	\$ 10,943	\$ 135,762
Carrying value, December 31, 2020	\$ 34,537	\$ 33,869	\$ 19,163	\$14,454	\$ 574	\$ 7,962	\$ 110,559

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(a) Leases**(i) Right-of-use assets**

	Mining equipment	Power generators	Vehicles	Office & communication	Land easements	Total
Balance, January 1, 2021	\$ 3,925	\$ 2,508	\$ 476	\$ 478	\$ 575	\$ 7,962
Additions	1,925	6	196	–	697	2,824
Amortization and depletion	(3,005)	(1,357)	(472)	(230)	(181)	(5,245)
Foreign exchange translation difference	(188)	(98)	(38)	–	–	(324)
Balance, December 31, 2021	\$ 2,657	\$ 1,059	\$ 162	\$ 248	\$ 1,091	\$ 5,217

	Mining equipment	Power generators	Vehicles	Office & communication	Land easements	Total
Balance, January 1, 2020	\$ 7,376	\$ 5,035	\$ 1,095	\$ 658	\$ 712	\$ 14,876
Additions	801	–	–	89	–	890
Amortization and depletion	(2,663)	(1,437)	(378)	(266)	(137)	(4,881)
Foreign exchange translation difference	(1,589)	(1,090)	(241)	(3)	–	(2,923)
Balance, December 31, 2020	\$ 3,925	\$ 2,508	\$ 476	\$ 478	\$ 575	\$ 7,962

(ii) Lease liabilities

	December 31, 2021	December 31, 2020
Maturity analysis – contractual undiscounted cash flows		
Less than one year	\$ 5,538	\$ 5,855
One to five years	2,810	5,475
More than five years	151	98
Total undiscounted lease liabilities	8,499	11,428
Lease liabilities in the Consolidated Statement of Financial Position	8,157	11,221
Current (note 11(a))	5,381	5,296
Non-current (note 11(b))	\$ 2,776	\$ 5,925

(iii) Amount recognized in the Consolidated Statements of Comprehensive Income

	2021	2020
Interest on lease liabilities	\$ 903	\$ 1,332
Variable lease payments not included in the measurement of lease liabilities	46,244	49,723
Expenses relating to short-term leases	19,044	15,564

The Company has elected not to separate the lease component from the non-lease component for short-term leases that have a lease term of less than one year.

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9. EXPLORATION AND EVALUATION ASSETS

	Santa Rosa Property	El Horcón Property	Coricancha	Tucano	Total
Balance, January 1, 2020	\$ 988	\$ 1,124	\$ 13,257	\$ 290	\$ 15,659
Change in reclamation and remediation provision	—	—	10,739	—	10,739
Foreign exchange translation difference	—	—	—	(64)	(64)
Balance, December 31, 2020	\$ 988	\$ 1,124	\$ 23,996	\$ 226	\$ 26,334
Change in reclamation and remediation provision	—	—	984	—	984
Foreign exchange translation difference	—	—	—	(15)	(15)
Balance, December 31, 2021	\$ 988	\$ 1,124	\$ 24,980	\$ 211	\$ 27,303

10. OTHER ASSETS

	December 31, 2021	December 31, 2020
Reimbursement rights (a)	\$ 12,792	\$ 12,178
Restricted cash (b)	4,504	31
	\$ 17,296	\$ 12,209

(a) Reimbursement rights

Pursuant to the acquisition of Coricancha, the vendors, Nyrstar International B.V. and Nyrstar Netherlands (Holdings) B.V. (together "Nyrstar") and their parent company (at the time of the acquisition, Nyrstar N.V. and subsequently replaced by NN2 Newco Limited), agreed to reimburse the Company for:

- the cost of movement and reclamation of certain legacy tailings facilities should the regulatory authorities require these to be moved, up to a maximum of \$20.0 million; and
- all fines or sanctions that arise before or after closing resulting from activities or ownership of Coricancha prior to June 30, 2017, up to a maximum of \$4.0 million.

(b) Restricted Cash

Restricted cash is cash collateral deposits linked to the closure bond requirement for Coricancha (Note 25).

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11. TRADE PAYABLES AND ACCRUED LIABILITIES AND OTHER LIABILITIES**(a) Trade payables and accrued liabilities**

	December 31, 2021	December 31, 2020
Trade payables	\$ 17,137	\$ 27,478
Accrued liabilities	20,722	14,758
Taxes payable	3,250	3,306
Lease liabilities	5,381	5,296
Other payables	2,246	2,383
	\$ 48,736	\$ 53,221

(b) Other liabilities

	December 31, 2021	December 31, 2020
Lease liabilities	\$ 2,776	\$ 5,925
Accrued liabilities	191	192
	\$ 2,967	\$ 6,117

12. BORROWINGS

	MACA	Unsecured bank facilities	Bradesco	Samsung	Asahi	Total
Balance, January 1, 2021	\$ 3,010	\$ 17,516	\$ 2,404	\$ 10,468	\$ –	\$ 33,398
Borrowings	–	30,574	–	4,900	19,846	55,320
Interest accrued	18	1,047	193	331	147	1,736
Principal repayments	(2,937)	(25,344)	(1,112)	(10,446)	–	(39,839)
Interest payments	(59)	(945)	(246)	(282)	(108)	(1,640)
Foreign exchange	(32)	–	–	–	–	(32)
Balance, December 31, 2021	\$ –	\$ 22,848	\$ 1,239	\$ 4,971	\$ 19,885	\$ 48,943
Current	\$ –	\$ 22,848	\$ 961	\$ 3,805	\$ 15,000	\$ 42,614
Non-current	\$ –	\$ –	\$ 278	\$ 1,166	\$ 4,885	\$ 6,329

(a) Unsecured bank facilities

The Company has unsecured, revolving, interest-bearing bank facilities totalling \$22.8 million. The unsecured bank facilities are denominated in US dollars ("USD") and are interest bearing at a weighted average fixed interest rate of 5.35% per annum and are repayable through December 2022.

(b) Bradesco

On March 11, 2020, the Company received a USD denominated loan from Bradesco in the amount of \$10.0 million, with net loan proceeds of \$2.5 million as \$7.5 million is required to be retained as cash collateral.

GREAT PANTHER MINING LIMITED

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The loan matures on February 24, 2023 and is required to be repaid in nine quarterly repayments of \$1.1 million commencing March 5, 2021. The return of the cash collateral will be proportionate to the quarterly loan repayments, resulting in net quarterly repayments of \$0.3 million commencing March 5, 2021. The loan principal bears interest at 3.7% per annum, and the cash collateral earns interest at rates from 1.55% to 2.40% per annum. At December 31, 2021, the principal balance outstanding is \$5.6 million (December 31, 2020 – \$10 million). Cash collateral of \$4.2 million (December 31, 2020 \$7.6 – million) has been netted against the outstanding principal balance.

(c) Samsung

On January 6, 2020, the Company entered an \$11.3 million gold doré prepayment agreement with Samsung (the "Agreement"). In consideration of delivery and sale of approximately 3,000 ounces of gold contained in doré per month over a two-year period commencing January 2020 from Tucano, Samsung has agreed to advance \$11.3 million (the "Samsung Advance") to Great Panther. Gold deliveries are sold at a 0.65% discount to the benchmark price of gold at the time of delivery. The Advance is repayable in equal monthly instalments of \$0.8 million which commenced December 2020 and continue to January 2022 such that all amounts outstanding to Samsung will be repaid in full. The Advance bears interest at an annual rate of 3-month USD LIBOR plus 5% and is secured by a pledge of all equity interests in Great Panther's Brazilian subsidiary that owns Tucano. On September 21, 2021, the Company repaid the outstanding balance of \$3.2 million on the Samsung Advance, incurring a 3% penalty for early repayment, and releasing the shares held for security. The Agreement also provides Samsung with a right of offer for concentrates produced from Coricancha in certain circumstances.

The Company entered into a \$5.0 million lead concentrate prepayment agreement with Samsung (the "Samsung Lead Advance") on September 21, 2021, and on November 2, 2021, the conditions precedent to funding which included the completion of a pledge of the shares of Great Panther's Mexican subsidiary, Minera Mexicana El Rosario S.A. de C.V. ("MMR") were satisfied and funds were received. Under the Concentrate Agreement, Samsung agreed to advance a \$5 million prepayment, net of transaction costs, to MMR in consideration for exclusive offtake of the lead concentrate production from the Topia Mine, up to a maximum contract quantity of 5,400 tonnes representing approximately 21 months of production from the mine. The Samsung Lead Advance will be repaid in twelve equal monthly instalments commencing in April 2022 and bears interest at an annual rate of 3-month USD LIBOR plus 6.5%. MMR has a full option for early repayment of the Samsung Lead Advance, subject to a 3% penalty applied to the outstanding balance.

(d) Asahi

On September 21, 2021, the Company entered into a \$20 million gold doré prepayment agreement with Asahi (the "Asahi Advance"). The Asahi Advance is repayable in twelve equal monthly instalments of \$1.7 million commencing in April 2022. The Advance bears interest at an annual rate of 1-month USD LIBOR plus 4.75% and is secured by a pledge of all equity interests in Great Panther's Brazilian subsidiary that owns Tucano. Great Panther has a full option for early repayment of the Advance, subject to a 3% penalty applied to the outstanding balance. Asahi is provided exclusivity on refining and will purchase 100% of Tucano gold production during the term of the agreement. Tucano will sell the equivalent volume of gold equal to the \$1.7 million principal repayment at a 0.5% discount to the spot price at the time of sale and the remainder of the production will be sold at spot prices.

GREAT PANTHER MINING LIMITED

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13. FINANCIAL INSTRUMENTS

At December 31, 2021, the fair value of the Company's long-term borrowings approximates their carrying values measured based on level 2 of the fair value hierarchy.

The fair value of other financial instruments approximates their carrying values due to their short-term nature.

The Company had no outstanding non-deliverable forward foreign exchange contracts for Brazilian real ("BRL") against USD at December 31, 2021. At December 31, 2020, the Company had BRL 88.2 million of non-deliverable forward foreign exchange contracts for which the fair value of these contracts resulted in a liability of \$3.0 million.

14. RECLAMATION AND REMEDIATION PROVISIONS

The Company's reclamation and remediation provisions relates to site restoration, clean-up, ongoing treatment, and monitoring at Tucano in Brazil, the GMC and Topia in Mexico, and Coricancha in Peru.

	December 31, 2021			December 31, 2020		
	Total	Current	Non-current	Total	Current	Non-current
Tucano	\$ 14,280	\$ —	\$ 14,280	\$ 15,241	\$ —	\$ 15,241
GMC	8,512	114	8,398	8,184	348	7,836
Topia	7,882	—	7,882	6,601	—	6,601
Coricancha	40,196	292	39,904	38,299	610	37,689
	\$ 70,870	\$ 406	\$ 70,464	\$ 68,325	\$ 958	\$ 67,367

	December 31, 2021	December 31, 2020
Balance, beginning of year	\$ 68,325	\$ 55,574
Change in estimates (a)	1,782	16,607
Accretion	2,225	1,517
Reclamation work performed	—	(902)
Foreign exchange	(1,462)	(4,471)
Balance, end of year	\$ 70,870	\$ 68,325

(a) Change in estimates

Reclamation and remediation provisions are adjusted for changes in estimates related to changes in inflation assumptions, discount rates, timing of planned reclamation and changes in estimates of costs.

	2021	2020
Topia	\$ 1,072	\$ 2,151
Tucano	(1,035)	1,092
GMC (i)	(208)	(343)
Change in estimate recorded to mineral properties, plant and equipment	(171)	2,900
Coricancha (ii)	1,562	13,666
GMC (i)	391	41
	\$ 1,782	\$ 16,607

- (i) The GMC related property plant and equipment were fully amortized during the year ended December 31, 2021, and accordingly the remaining change in estimate was expensed.

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- (ii) The change in estimate relating to Coricancha for the year ended December 31, 2021 adjusts reimbursement rights receivable by \$0.6 million (2020 - \$2.9 million) and exploration and evaluations assets by \$1.0 million (2020 - \$10.7 million).

The reclamation and remediation provision for the GMC and Topia operations is based on the following assumptions:

	2021	2020
Total estimated future cash flows	\$ 23,052	\$ 18,895
Expected settlement of obligations (years)	2021 – 2043	2021 – 2043
Weighted average risk-free rate (discount rate)		
GMC	7.6%	4.6%
Topia	7.6%	4.8%

A 1% change in the discount rate while holding the other assumptions constant would decrease or increase the provision by \$0.6 million.

The reclamation and remediation provision for Coricancha is based on the following assumptions:

	2021	2020
Total estimated future cash flows	\$ 44,047	\$ 42,725
Expected settlement of obligations (years)	2022 – 2044	2021 – 2049
Weighted average risk-free rate (discount rate)	1.3%	0.8%

For Coricancha, a portion of the reclamation and remediation provision is offset by a reimbursement rights receivable (note 10(a)). Of the total estimated cash flows at December 31, 2021, \$12.8 million (2020 - \$12.2 million) is reimbursable under the agreements with Nyrstar (notes 10 and 25).

A 1% change in the discount rate would decrease or increase the provision by \$2.1 million while holding the other assumptions constant.

The reclamation and remediation provision for Tucano is based on the following assumptions:

	2021	2020
Total estimated cash flows	\$ 20,969	\$ 22,594
Expected settlement of obligations (years)	2024 – 2029	2024 – 2029
Weighted average risk-free rate (discount rate)	11.3%	6.7%

A 1% change in the discount rate would decrease or increase the provision by \$0.5 million while holding the other assumptions constant.

15. SHARE CAPITAL**(a) Authorized share capital**

The Company has an unlimited number of common shares without par value authorized for issue. The Company has an unlimited number of Class A and Class B preferred shares without par value authorized for issue. Each class can be issuable in series. No preferred shares have ever been issued.

GREAT PANTHER MINING LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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(b) Share options

In June 2020, upon approval by shareholders, the Company adopted an Omnibus Incentive Plan (the "Omnibus Plan") to supplement and eventually replace the then-existing stock option plan (the "2016 Plan"). Pursuant to the Omnibus Plan, the Company may grant stock options ("Options"), restricted share units ("RSUs"), PSUs, and deferred share units ("DSUs") to eligible employees, officers, directors, or consultants. The maximum number of common shares that the Company may issue is limited to 8% of the outstanding common shares, less the number of stock options already outstanding pursuant to the 2016 Plan and the Omnibus Plan, less twice the number of common shares counted as RSU, PSU, and DSU awards. There are additional limits with respect to insiders, individual grants, annual grants, and the number of which may be awarded to non-executive directors.

Options granted under the 2016 Plan will remain outstanding and be governed by the terms of the 2016 Plan. Options granted after the adoption of the Omnibus Plan will be governed by the Omnibus Plan.

Pursuant to the Omnibus Plan, options are non-transferable. The exercise price of options shall not be less than the closing price of the common shares on the Toronto Stock Exchange on the last business day immediately preceding the date of grant. Grant date share price is the closing market price on the day the options were granted. Options have expiry dates of no later than ten years after the date of grant and will cease to be exercisable three months following the termination of the participant's employment or engagement.

Pursuant to the 2016 Plan, options are non-transferable, subject to permitted transferees, and the aggregate may not exceed 10% of the outstanding shares at the time of an option grant, and the aggregate to any one person may not exceed 5% of the outstanding shares. The exercise price of options is determined by the Board but shall not be less than the closing price of the common shares on the Toronto Stock Exchange on the last business day immediately preceding the date of grant. Grant date share price is the closing market price on the day the options were granted. Options have expiry dates of no later than five years after the date of grant and cease to be exercisable 90 days following the termination of the participant's employment or engagement.

	2021		2020	
	Options (000's)	Weighted average exercise price	Options (000's)	Weighted average exercise price
Outstanding, January 1	9,709	C\$ 1.00	8,316	C\$ 1.20
Granted	2,341	1.04	6,255	0.56
Forfeited/Expired	(4,421)	1.28	(3,582)	0.78
Exercised	(775)	0.60	(1,280)	0.74
Outstanding, December 31	6,854	C\$ 0.87	9,709	C\$ 1.00
Exercisable, December 31	2,833	C\$ 0.98	3,355	C\$ 1.65

GREAT PANTHER MINING LIMITED

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Range of exercise prices	Options outstanding (000's)	Weighted average remaining contractual life (years)	Options exercisable (000's)	Weighted average exercise price
C\$0.54 to \$0.62	2,634	3.32	1,033	C\$ 0.54
C\$0.63 to \$1.10	3,281	3.57	861	0.91
C\$1.11 to \$1.62	939	1.24	939	1.53
	6,854	3.15	2,833	C\$ 0.98

During the year ended December 31, 2021, the Company recorded share-based compensation expense relating to share options of \$0.6 million (2020 – \$0.7 million).

The weighted average fair value of options granted during the year ended December 31, 2021, was C\$0.49 (2020 – C\$0.23). The grant date fair value of share options granted was determined using a Black Scholes option pricing model using the following weighted average assumptions:

	2021	2020
Risk-free interest rate	0.54%	0.45%
Expected life (years)	3.14	3.11
Annualized volatility	71%	62%
Forfeiture rate	20%	17%

The annualized volatility assumption is based on the historical volatility of the Company's common share price on the Toronto Stock Exchange. The risk-free interest rate assumption is based on government bonds with a remaining term equal to the expected life of the options.

(c) Restricted share units ("RSUs"), Performance based restricted share unit ("PSUs") and Deferred share units ("DSUs")

RSUs are awards for service which upon vesting and settlement entitle the recipient to receive common shares, a cash equivalent, or a combination thereof. Vesting conditions for RSUs are set by the Board but cannot exceed three years. The choice of settlement method is at the Company's sole discretion. The RSUs granted to date vest in several tranches over three years. An estimated forfeiture rate calculated and updated based on historical forfeitures and cancellations was used in the determination of fair value for the purposes of computing share-based compensation expense in the consolidated financial statements.

PSUs are granted to senior executives, and vest after a performance period of up to three years. The number of units that will ultimately vest ranges between 0% - 200% based on relative performance against a peer group of companies. The PSUs granted may only be settled through the issuance of common shares. Performance results at the end of the performance period relative to the predetermined performance criteria and the application of the corresponding performance multiplier determine how many PSUs vest for each participant.

DSUs are awards to participants for directorship which settle upon termination of service of the participant. Vesting conditions for DSUs are set by the Board. Upon settlement, DSUs entitle the recipient to receive common shares, a cash equivalent, or a combination thereof. The choice of settlement method is at the Company's sole discretion. Timing of settlement after vesting occurs is at the discretion of the participant and can be any time between the date of termination of service of the participant and December 15th of the following calendar year. The DSUs granted to date have vested immediately.

The fair values of the DSUs and RSUs granted to employees and directors have been estimated by reference to the fair value on the grant date of the equity instruments granted. The fair value of PSU was measured based on the fair value at the grant date using the Monte Carlo simulation technique on stock prices. The Company has no history of paying dividends, and consequently, no amounts in respect of dividends were included in the estimates of fair value of the equity instruments granted.

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The following table summarizes information about the RSUs outstanding at December 31, 2021 and 2020:

	2021		2020	
	Number of units	Weighted average grant date fair value (\$/unit)	Number of units	Weighted average grant date fair value (\$/unit)
Balance at January 1	1,911,434	C\$ 0.70	1,243,530	C\$ 1.19
Granted	822,144	1.01	1,636,000	0.56
Settled	(580,045)	0.77	(779,596)	1.10
Cancelled	(676,058)	0.75	(188,500)	1.02
Outstanding at December 31	1,477,475	C\$ 0.82	1,911,434	C\$ 0.70

The following table summarizes information about the PSUs outstanding at December 31, 2021 and 2020:

	2021		2020	
	Number of units	Weighted average grant date fair value (\$/unit)	Number of units	Weighted average grant date fair value (\$/unit)
Balance at January 1	1,904,500	C\$ 0.70	531,000	C\$ 1.14
Granted	780,968	1.04	1,510,700	0.56
Cancelled	(858,414)	0.75	(137,200)	0.89
Outstanding at December 31	1,827,054	C\$ 0.82	1,904,500	C\$ 0.70

The fair value of PSU was measured based on the fair value at the grant date using the Monte Carlo simulation technique on stock prices.

The following table summarizes information about the DSUs outstanding at December 31, 2021, and 2020:

	2021		2020	
	Number of units	Weighted average grant date fair value (\$/unit)	Number of units	Weighted average grant date fair value (\$/unit)
Balance at January 1	2,420,189	C\$ 0.78	946,150	C\$ 1.19
Granted	781,354	0.91	2,167,939	0.57
Settled	(424,300)	1.15	(693,900)	0.69
Outstanding at December 31	2,777,243	C\$ 0.76	2,420,189	C\$ 0.78

During the year ended December 31, 2021, the Company recorded share-based compensation expense relating to RSUs, PSUs, and DSUs of \$1.1 million (2020 – \$1.8 million).

(d) Share purchase warrants

The Company has issued 9,749,727 share purchase warrants at an exercise price of \$1.317 per share. 6,321,695 share purchase warrants have an expiry date of May 17, 2022, and 3,428,032 share purchase warrants have an expiry date of June 27, 2022.

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(e) Earnings (loss) per share

	2021	2020
Income (loss) attributable to equity owners	\$ (42,241)	\$ 334
Weighted average number of shares (000's)	355,827	337,834
Earnings (loss) per share – basic	\$ (0.12)	\$ 0.00

	2021	2020
Income (loss) attributable to equity owners	\$ (42,241)	\$ 334
Weighted average number of shares (000's)	355,827	337,834
Incremental shares from RSUs, PSUs and DSUs	–	6,362
Weighted average diluted number of shares (000's)	355,827	344,196
Earnings (loss) per share – diluted	\$ (0.12)	\$ 0.00

Anti-dilutive share purchase options, warrants, deferred share units, restricted share units and performance share units have not been included in the diluted earnings per share calculation.

(f) Financings

On November 12, 2021, the Company closed a bought deal financing for aggregate gross proceeds of \$23.0 million, pursuant to which the Company issued 88,461,538 common shares of the Company at the price of \$0.26 per share. The Company paid a cash commission to the underwriters equal to 6% of the gross proceeds of the financing and recognized net proceeds of \$21.4 million after deducting share issuance costs.

On October 15, 2021, the Company entered into an At-the-Market Offering Agreement (the "ATM Agreement"), pursuant to which the Company may issue up to \$25.0 million at prevailing market prices during the term of the ATM Agreement (the "ATM Facility"). The ATM Facility replaces the Company's prior \$25.0 million "at-the-market" facility, which expired on August 3, 2021. As at December 31, 2021, the Company has issued 175,827 common shares under the ATM Facility and received proceeds of \$0.1 million.

On May 20, 2020, the Company closed a bought deal financing for aggregate gross proceeds of \$16.1 million, pursuant to which the Company issued 40,250,000 common shares of the Company at the price of \$0.40 per share. The Company paid a cash commission to the underwriters equal to 6% of the gross proceeds of the financing and recognized net proceeds of \$14.7 million after deducting share issuance costs.

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16. REVENUE

The Company generates revenue primarily from the sale of precious metals, consisting of metal concentrates and refined gold.

In the following table, revenue is disaggregated by the geographic location of the Company's mines and major products.

	2021			2020		
	Brazil	Mexico	Total	Brazil	Mexico	Total
Gold	\$ 141,333	\$ 12,872	\$ 154,205	\$ 223,272	\$ 12,841	\$ 236,113
Silver	295	28,170	28,465	487	22,473	22,960
Lead	—	2,686	2,686	—	2,180	2,180
Zinc	—	4,116	4,116	—	3,161	3,161
Ore processing revenue	—	—	—	—	34	34
Smelting and refining charges	(46)	(3,812)	(3,858)	(69)	(4,031)	(4,100)
Revenue from contracts with customers	\$ 141,582	\$ 44,032	\$ 185,614	\$ 223,690	\$ 36,658	\$ 260,348
Changes in fair value from provisional pricing	—	64	64	—	457	457
Total revenue	\$ 141,582	\$ 44,096	\$ 185,678	\$ 223,690	\$ 37,115	\$ 260,805

The amount of revenue recognized in the year ended December 31, 2021, from performance obligations satisfied (or partially satisfied) in the previous period, due to the current period settlement of metal concentrate revenue recognized in the prior periods was a reduction of revenue of \$0.2 million. At December 31, 2021, the Company had \$2.9 million in revenue subject to provisional pricing in relation to the sale of concentrates.

For the years ended December 31, 2021 and 2020, the Company had revenue contracts with five customers (2020 - five customers) that accounted for the majority of the total revenues as follows:

Customer	Geographical Market	2021	2020
Customer A	Brazil	\$ 80,552	\$ 122,303
Customer B	Brazil	49,957	64,426
Customer C	Brazil	11,073	36,961
Customer D	Mexico (Guanajuato)	21,687	21,281
Customer E	Mexico (Topia)	18,686	13,950
Other	Mexico	3,723	1,884
		\$ 185,678	\$ 260,805

The trade accounts receivable balance of \$2.1 million at December 31, 2021 of which \$1.7 million related to Customers D and E (December 31, 2020 – \$2.0 million, related to Customers B, D and E).

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17. PRODUCTION COSTS

	2021	2020
Raw materials and consumables	\$ 62,954	\$ 59,505
Salaries and employee benefits	20,762	16,054
Contractors	52,434	47,713
Repairs and maintenance	1,958	1,416
Site administration	4,443	3,944
Royalties	3,939	5,918
Mining duties	193	161
Share-based compensation	201	336
	146,884	135,045
Change in inventories	9,201	73
	156,085	135,118
Unabsorbed fixed costs (a)	—	1,515
Total production costs	\$ 156,085	\$ 136,633

(a) Unabsorbed fixed costs

The Company's operations in Mexico were shut down during April and May 2020 as a result of government orders due to the COVID-19 pandemic. During the shutdown, the Company incurred fixed costs for these operations, which otherwise would have been recorded to inventory but were expensed as incurred.

The Company also voluntarily suspended production at Topia for a five-week period in the fourth quarter of 2020 to mitigate the spread of COVID-19 in the local community. The Company also expensed fixed costs during this period of suspension.

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18. GENERAL AND ADMINISTRATIVE EXPENSES

	2021	2020
Salaries and employee benefits	\$ 5,555	\$ 4,042
Professional fees	1,845	1,674
Office and other expenses	5,429	4,758
Amortization	526	446
Share-based compensation	1,377	2,006
Total general and administrative expenses	\$ 14,732	\$ 12,926

19. EXPLORATION AND EVALUATION EXPENSES

	2021	2020
Salaries and employee benefits	\$ 2,660	\$ 2,223
Raw materials and consumables	1,923	892
Professional fees	5,474	4,411
Office and other expenses	2,746	2,724
Share-based compensation	160	120
Total exploration and evaluation expenses	\$ 12,963	\$ 10,370

20. OTHER EXPENSE

	2021	2020
Accretion expense	\$ 3,093	\$ 2,629
Loss on derivative instruments	572	27,980
Foreign exchange loss	1,942	16,397
Other expense	940	2,188
	\$ 6,547	\$ 49,194

GREAT PANTHER MINING LIMITED**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

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21. INCOME TAXES**(a) Income tax expense**

	2021	2020
Current expense:		
Income tax	\$ 39	\$ 3,647
	39	3,647
Deferred tax expense (recovery):		
Income tax	–	144
	–	144
Income tax expense	\$ 39	\$ 3,791

The reconciliation of income taxes calculated at the Canadian statutory tax rate to the income tax expense shown in these consolidated financial statements is as follows:

	2021	2020
Net income (loss) before tax	\$ (42,202)	\$ 4,125
Canadian statutory income tax rate	27%	27%
Anticipated income tax at statutory rate	\$ (11,395)	\$ 1,115
Permanent differences	1,596	(2,084)
Differences between Canadian and foreign tax rates	(1,710)	3,144
Change in estimate	951	1,668
Impact of foreign exchange on local currencies	(23)	2,739
Change in deferred tax assets not recognized	10,275	(2,451)
Other items	345	(340)
Income tax expense	\$ 39	\$ 3,791
Effective tax rate	0%	92%

(b) Deferred income tax assets and liabilities

The significant components of deferred tax assets and liabilities are:

	December 31, 2021	December 31, 2020
Deferred income tax liabilities	(2,337)	(2,488)
Deferred withholding tax liabilities	(2,199)	(2,194)
Total deferred income tax liabilities	(4,536)	(4,682)

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(c) The following temporary differences and tax losses give rise to deferred income tax assets and liabilities:

	December 31, 2021	December 31, 2020
Tax losses carried forward	\$ 17,567	\$ 18,968
Withholding tax liability	(2,199)	(2,194)
Mineral properties, plant and equipment	(19,684)	(20,298)
Other taxable temporary differences	(220)	(1,158)
Net deferred income tax liabilities	\$ (4,536)	\$ (4,682)

Losses expire as follows:

Type of losses	Country	2021		2020	
		Expiry dates	Amount	Expiry dates	Amount
Non-capital losses	Canada	2026 to 2041	\$ 32,800	2026 to 2040	\$ 29,730
	Mexico	2023 to 2031	\$ 31,950	2023 to 2030	\$ 24,870
	Brazil	indefinite	\$ 93,027	indefinite	\$ 79,382
	Peru	indefinite	\$ 73,464	indefinite	\$ 73,491

(d) Unrecognized deferred tax assets:

The Company recognizes tax benefits on losses or other deductible amounts where it is probable the deferred tax assets will be realized. The Company's unrecognized deductible temporary differences and unused tax losses for which no deferred tax assets are recognized consist of the following amounts:

	December 31, 2021	December 31, 2020
Tax losses carried forward	\$ 240,705	\$ 217,342
Mineral properties, plant and equipment	51,938	45,429
Other deductible temporary differences	91,413	105,725
Unrecognized temporary differences	\$ 384,056	\$ 368,496

22. FAIR VALUE MEASUREMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (an exit price) regardless of whether that price is directly observable or estimated using another valuation technique.

The fair value hierarchy establishes three levels to classify the inputs to valuation techniques used to measure fair value. Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities. Level 2 inputs are quoted prices in markets that are not active, quoted prices for similar assets or liabilities in active markets, inputs other than quoted prices that are observable for the asset or liability (interest rate, yield curves), or inputs that are derived principally from or corroborated observable market data or other means. Level 3 inputs are unobservable (supported by little or no market activity). The fair value hierarchy gives the highest priority to Level 1 inputs and the lowest priority to Level 3 inputs.

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The following describes the methods and assumptions used to estimate the fair value of Level 2 financial instruments.

Financial asset or liability	Methods and assumptions used to estimate fair value
Trade receivables	Trade receivables arising from the sales of metal concentrates are subject to provisional pricing, and the final selling price is adjusted at the end of the quotation period. The Company marks these to market at each reporting date based on a quoted forward price. The Company's trade receivables are valued using quoted market prices on the London Metal Exchange.
Derivative instruments	The Company's derivative assets and derivative liabilities are comprised of forward foreign exchange contracts and put options for gold. The fair value of the Company's forward exchange contracts and put options for gold are determined using forward exchange rates and forward gold prices, respectively, at each reporting date.
Borrowings	The Company's borrowings are comprised of long-term loans, convertible debentures and debt facilities. Borrowings are initially recognized at fair value, net of transaction costs incurred. Subsequent to initial measurement, borrowings are recorded at amortized cost using the effective interest rate method.

During the years ended December 31, 2021 and 2020, there were no transfers of amounts between Level 1, Level 2, and Level 3 of the fair value hierarchy. The following tables show the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. Fair value information for financial assets and financial liabilities not measured at fair value is not presented if the carrying amount is a reasonable approximation of fair value.

The Company's financial instruments include cash and cash equivalents, marketable securities, trade receivables, restricted cash, trade payables, borrowings and derivative instruments. The carrying values of the Company's financial instruments approximate their fair values due to the short-term nature of the items or the inclusion of interest rates that approximate market rates.

In evaluating fair value information, considerable judgment is required to interpret the market data used to develop the estimates. The use of different market assumptions and valuation techniques may have a material effect on the estimated fair value amounts.

The following table summarizes the Company's financial instruments as at December 31, 2021:

	Fair value through OCI	Fair value through P&L	Amortized cost	Total	Fair value hierarchy
Financial Assets					
Cash and cash equivalents	\$ —	\$ —	\$ 47,692	\$ 47,692	n/a
Marketable securities	264	—	—	264	Level 1
Trade receivables	—	—	2,061	2,061	Level 2
Restricted cash	—	—	4,663	4,663	n/a
Financial Liabilities					
Trade payables and accrued liabilities	\$ —	\$ —	\$ 38,050	\$ 38,050	n/a
Borrowings	—	—	48,943	48,943	Level 2

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23. CAPITAL MANAGEMENT

The Company's objectives when managing capital are to:

- ensure there are adequate capital resources to support the Company's ability to continue as a going concern;
- maintain adequate levels of cash to support the acquisition, exploration and development of mineral properties, exploration and evaluation assets, and the operation of producing mines;
- maintain investor, creditor and market confidence to sustain future development of the business; and
- provide returns to shareholders and benefits for other stakeholders.

As of December 31, 2021, cash and cash equivalents were \$47.7 million, and net working capital totaled \$0.2 million. The Company has \$42.6 million of current borrowings on December 31, 2021. Included in current borrowings are \$22.9 million of unsecured bank facilities. Historically, the Company has generally been able to renew or replace the unsecured bank facilities but cannot provide assurance that it will do so in the future. The unsecured bank facilities are interest-bearing at a weighted average fixed interest rate of 5.35% per annum.

The Company expects to generate positive cash flows from its mining operations in 2022 prior to capital investments, exploration and evaluation and development costs, and debt repayment obligations, at current metal prices and at current exchange rates for the BRL and MXN to the USD. This also assumes no further significant disruptions to production related to government measures to reduce the spread of COVID-19. The Company has determined that it will require further financing and will consider additional equity financing (including through use of the ATM facility) and debt financing, if necessary, in order to meet long-term objectives and improve working capital, fund planned capital investments and exploration programs for its operating mines, acquisitions and meet scheduled debt repayment obligations.

On October 15, 2021, the Company entered into the ATM Agreement with H.C. Wainwright & Co., LLC, pursuant to which the Company may issue up to \$25.0 million at prevailing market prices during the term of the ATM Agreement. As at December 31, 2021, the Company has issued 175,827 common shares under the ATM Facility. On November 12, 2021, the Company closed a bought deal financing for aggregate gross proceeds of \$23.0 million, pursuant to which the Company issued 88,461,538 common shares of the Company at the price of \$0.26 per share. The Company paid a cash commission to the underwriters equal to 6% of the gross proceeds of the financing and recognized net proceeds of \$21.4 million after deducting share issuance costs.

As mentioned above, the Company has determined that it will require further financing in 2022. To the extent that cash flows generated from operations during 2022 are less than anticipated or in the event the Company determines it will undertake other projects that are currently not part of its plans and guidance, or if the Company undertakes an acquisition, additional capital required may exceed the Company's current expectations, and additional funds may be required. Sources of capital include accessing the private and public capital markets for debt and equity over the next 12 months, including pursuant to the ATM Facility. Adverse movement in metal prices, unforeseen impacts to the Company's operation, and the inability to renew or extend existing credit facilities that become due may increase the need to raise new external sources of capital, and the inability to access sources of capital could adversely impact the Company's liquidity and require the Company to curtail capital and exploration program and other discretionary expenditures.

24. FINANCIAL RISK MANAGEMENT

The Board 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.

The Company is exposed to certain financial risks, including credit risk, liquidity risk, and market risks such as currency risk, interest rate risk, and commodity price risk.

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(a) Credit risk

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations. The Company's exposures to credit risk arise from cash and short-term investments, trade accounts receivable, and loan receivable. Lesser exposures arise from holdings of marketable securities, and other receivables.

The risk is assessed by performing an aging analysis of trade receivables, and through the review of credit ratings of the counterparties with which the Company does business.

The Company manages such credit risks by diversifying bank deposits and placing funds only in large Canadian, Brazilian and Mexican financial institutions. The Company's investments are subject to internal investment guidelines, and they mature at various dates but rarely in excess of one year.

All of the Company's precious metal sales are to large international metals trading companies and smelters that have been in business for many years. For the sale of metal concentrates, the Company typically receives provisional payments, within days after delivery, of up to 95% of the value of each shipment. For the sale of refined gold, the Company typically receives payment in full on the day of delivery. Historically, the Company has not had difficulty collecting receivables from its customers, nor have customers defaulted on any payments.

There is no trade receivable related to the refined gold sales as at December 31, 2021. The aging of trade receivables from metal concentrate sales is as follows:

	December 31, 2021	December 31, 2020
0 to 30 days	\$ 1,466	\$ 1,343
31 to 60 days	199	400
61 to 90 days	422	142
over 90 days	(26)	126
	\$ 2,061	\$ 2,011

There has been no notable change in the Company's approach to credit risk management since the prior year.

(b) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company's exposure to liquidity risk arises from its trade and other payables. The Company regularly prepares rolling cash flows to identify and assess such liquidity risks.

The Company manages liquidity risk by preparing annual budgets for approval by the Board and preparing cash flow and liquidity forecasts on a quarterly basis.

There has been no notable change in the Company's approach to credit risk management since the prior year.

(c) Currency risk

Currency risk is the risk that foreign exchange rates will fluctuate significantly from expectations. The Company's exposure to currency risk arises from its operations in Canada, Brazil, Mexico and Peru, where payments to vendors and employees are often in local currency; yet, substantially all of the Company's revenues are realized in USD. Further, the Company holds a portion of its cash in currencies other than USD.

To manage this risk, the Company holds as small of an amount as practical in foreign currencies. To mitigate the Company's exposure to changes in the exchange rates of BRL and MXN against USD, the Company may and has entered into forward currency contracts as it deems prudent. There are limits on

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the extent of such contracts, in excess of which Board approval is required. In 2021, the Company did not enter any forward foreign currency contracts.

For financial instruments denominated in foreign currencies as at December 31, 2021, a 10% change in the prevailing exchange rates as at December 31, 2021, with all other variables held constant, would have the following impact on the Company's earnings:

Change in net income arising from:	Canadian dollars ("CAD")	Brazilian real	Australian dollars ("AUD")	Mexican pesos	Peruvian soles ("PEN")
10% appreciation of the USD against the currency	\$ (3)	\$ 2,983	\$ (620)	\$ (148)	\$ 255
10% depreciation of the USD against the currency	\$ 3	\$ (2,983)	\$ 620	\$ 148	\$ 255

The closing exchange rates for December 31, 2021, of BRL/USD of 5.5805 (2020: 5.197), MXN/USD of 20.5157 (2020: 19.935), AUD/USD of 1.3797 (2020: 1.2981), PEN/USD of 3.998 (2020: 3.621), and CAD/USD of 1.27382 (2020: 1.277) were used in the above analysis.

(d) Interest rate risk

Interest rate risk is the possibility that change in market interest rates will affect future cash flows. The Company is exposed to interest rate risk on its cash and cash equivalents, short-term deposits and borrowings. The Company's approach is to invest cash in savings accounts and guaranteed investment certificates at fixed and floating rates of interest over varying maturities. The Company manages this risk by monitoring changes in interest rates and by maintaining a relatively short duration for the Company's portfolio of cash equivalent securities. Many of these instruments can be immediately redeemed and those of a fixed-term do not exceed one year. The Company is exposed to interest rate risk on its variable interest rate borrowings, specifically the MACA loan (note 13(a)). Additionally, the unsecured bank facilities (note 13(b)) are expected to roll over as they become due and are therefore subject to interest rate changes.

There has been no notable change in the Company's approach to interest rate risk management since the prior year.

For interest-bearing financial instruments as at December 31, 2021, an increase or decrease in interest rate of 1% applied would increase or decrease net income and comprehensive income by \$0.1 million.

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(e) Commodity price risk

The Company is subject to risk from fluctuations in the market prices of gold, silver, lead and zinc. Such fluctuations directly affect the Company's reported revenues.

The profitability of the Company's operations is highly correlated to the market prices of these metals, as is the ability of the Company to develop its mineral properties and exploration and evaluation assets. The value of trade receivables at the reporting date also depends on changes in metal prices until finalization of sales prices per the contractual quotational period.

If metal prices decline for a prolonged period below the cost of production of the Company's mines, it may not be economically feasible to continue production.

The Company has a stated policy that it will not engage in long-term hedging of gold and silver prices.

There was no notable change in the Company's approach to commodity price risk management from the prior year until December 31, 2021.

For provisionally priced trade receivables, a 10% change in the prevailing commodity prices as at December 31, 2021, with all other variables held constant, would have the following impact on the Company's earnings:

	10% change in gold	10% change in silver	10% change in lead	10% change in zinc
Change in net income	\$ 569	\$ 850	\$ 68	\$ 135

25. COMMITMENTS AND CONTINGENCIES

(a) Commitments

As at December 31, 2021, the Company had the following commitments:

	Total	1 year	2-3 years	4-5 years	Thereafter
Operating lease payments	\$ 2	\$ 2	\$ -	\$ -	\$ -
Drilling services	255	255	-	-	-
Equipment purchases	294	294	-	-	-
Total commitments	\$ 551	\$ 551	\$ -	\$ -	\$ -

In June 2020, Nyrstar agreed to extend its requirement to post remediation bond obligations as security for closure costs at Coricancha beyond the original June 30, 2020 expiry date. Nyrstar will maintain a \$7.0 million bond (previously \$9.7 million) until June 30, 2021 and \$6.5 million for the following year, effectively deferring Great Panther's funding requirements for these amounts until June 30, 2022, unless Great Panther decides to permanently close Coricancha. As at December 31, 2021, the total bond amount required was \$10.9 million, of which Nyrstar is responsible for \$6.5 million and the Company is responsible for \$4.4 million.

If a decision to permanently close the mine is made, Nyrstar will fund closure costs up to the revised amount of its bond funding obligation, and Coricancha will be required to post the full amount of the required remediation bond with Peruvian government authorities. If no decision is made to permanently close Coricancha by June 30, 2022, then Coricancha will likewise be required to post the full amount of the

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required reclamation bond. Nyrstar's obligation to indemnify the Company for up to \$20.0 million for closure of Cancha 1 and 2 tailings storage facilities is not changed by the Company's decision regarding Coricancha's future operating plans.

On August 18, 2021, the Peruvian government introduced a new Mine Closure Law (Law No. 31347). The new law contemplates increases to the mine closure financial assurances applicable to all mining companies in Peru. Whereas previously companies were required to provide final assurance to cover "Final" and "Post-Closure" stages of the Mine Closure Plan, under the amended law the requirement is inclusive of "Progressive Closure" costs (i.e., closure activities during the operation of the mine) for the main components of the mine. The law does not provide details such as specific costs, or the timing of payment or form of collateral to be provided. In January 2022, draft regulations were published and allowed for a comment period from the mining industry. The Petroleum and Energy Society prepared a consolidated response to the regulations, to which the Company submitted comments. Prior to publication of the new regulations, the Company cannot estimate with certainty the amount or timing of incremental closure bond requirements for Coricancha or the impact of such requirements on the Company's liquidity.

(b) Contingencies

(i) Coricancha

Coricancha has been on care and maintenance since August 2013.

Fines and sanctions

Nyrstar has agreed to reimburse the Company for all fines or sanctions that resulted from activities or ownership of Coricancha prior to June 30, 2017, up to a maximum of \$4.0 million. Accordingly, a reimbursement right in the amount of \$1.5 million has been recorded in respect of fines or sanctions that have been levied by regulatory bodies in Peru.

The Company has accrued for and recorded a further reimbursement right of \$0.4 million for certain civil lawsuits filed by individuals and former suppliers.

Legacy tailings facilities

The Company has undertaken the reclamation of certain legacy tailings facilities at Coricancha. In addition, as part of the purchase of Coricancha, the Company has an agreement with Nyrstar for the reimbursement of the cost of these reclamation activities. The Company is seeking approval of a modification to a remediation plan in accordance with the recommendations of an independent consultant to preserve the stability of nearby areas by reclaiming the legacy tailings in situ. The Company is exposed to potential fines, penalties and regulatory action until the modification to the remediation plan is approved.

Peruvian Tax Matters

The Company's Peruvian subsidiary Great Panther Coricancha S.A. ("GPC") has received notice from SUNAT, the Peruvian tax authority, that SUNAT intends to hold GPC jointly liable with respect to the unpaid taxes of a leasing company that sold the Coricancha mining assets to GPC (formerly Compañía Minera San Juan S.A.) in March 2006, prior to the Company's acquisition of Coricancha effective June 30, 2017. The SUNAT claim is for unpaid taxes and related fines of the taxpayer, which is not an affiliate of the Company, from its 2001 tax year, together with related fines. The amount claimed is approximately \$20 million.

The Company believes that the probability of the claim resulting in liability for GPC is remote and, as a consequence, has not recorded any contingency. The Company expects legal processes to take several years to reach a conclusion.

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(ii) Tucano

a) Various claims related to Brazil indirect taxes and labour matters

The Company has various litigation claims from a number of governmental assessments pertaining to indirect taxes and labour disputes associated with former employees and contract labour in Brazil.

As of September 30, 2021, the items for which a loss was probable, inclusive of any related interest, amounted to approximately \$1.8 million, for which a provision was recognized (as of September 30, 2020 – \$1.6 million).

In connection with the above proceedings, a total of \$0.3 million (December 31, 2020 - \$0.3 million) of escrow cash deposits were made as of September 30, 2021 (note 4). Generally, any escrowed amounts would be refundable to the extent the matters are resolved in the Company's favour.

b) Environmental fines and penalties and judicial claims

The Company is a defendant in various lawsuits and legal actions, including for alleged fines, in Brazil. Management regularly reviews these lawsuits and legal actions with outside counsel to assess the likelihood that the Company will incur a material cash outflow to settle the claim. To the extent management believes it is probable that a material cash outflow will be incurred to settle the claim, a provision for the estimated settlement amount is recorded. As at December 31, 2021, the total amount of claims was \$15.3 million and the Company has accrued \$3.4 million, representing the estimated settlement amount for claims where material future cash outflows are probable. A summary of the most significant claims is as follows:

i. Environmental damages - William Creek

In May 2009, the State of Amapá Public Prosecutor ("MPAP") filed a public civil action seeking payment for environmental damages caused by William Creek, as well as to other creeks located in the region of influence of Zamin Amapá Mineração ("Zamin") and Tucano mines. The alleged damage is related to the modification of the creek's riverbed, soiling and sedimentation. In January 2018, the Amapá State Court ordered Tucano to pay a fine of approximately \$1.2 million (BRL 6.0 million plus interest and inflation counted as from the date of the damage) to the State Environmental Fund. As at September 30, 2021, the updated value with interest and inflation is approximately \$5.8 million (BRL 31.6 million). The Company is in the process of appealing. Based on legal advice received, the best estimate of the loss is less than the full amount claimed, and the Company has accrued the best estimate of the cost to settle the claim.

ii. Archaeological sites damage

In 2020, a settlement agreement was reached related to certain archaeological civil actions. Tucano agreed to provide BRL 8.0 million, no later than December 31, 2021, for implementation of socio-environmental measures in the local community. The settlement amount has been paid as at December 31, 2021.

In related proceedings, not covered by the settlement agreement, Tucano is in the process of appealing fines and damages arising in the Federal Court of Appeal. The likelihood of total loss is not considered probable based on legal advice received. However, the best estimate of the loss is less than the full amount claimed, and the Company has accrued the best estimate of costs to settle the claim.

iii. Cyanide usage

In October 2018, the public prosecutor's office of labour affairs for the State of Amapá filed a public civil action seeking payment for potential damages and medical costs in relation to the Company's employees' exposure to cyanide used in the processing of its gold. In August 2019, a regional labour court ordered Tucano to pay compensation of approximately BRL 4.0 million plus interest and inflation for these damages, in addition to surveillance and funding medical

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costs of any diseases to Tucano's internal and outsourced employees and former employees, and to stop using cyanide in its production process within one year from the final non-appealable decision on the proceedings. Tucano is in the process of appealing to a Federal Superior Labour Court all aspects of the regional labour court decision. In March 2020, it was accepted that the appeal, exclusively with respect to whether or not the use of cyanide may continue, be admitted for consideration by the Federal Superior Labour Court and the balance of the decision has not yet been accepted for consideration and is under appeal. Tucano is not aware of any circumstances of former or current employees who have suffered health consequences from exposure to cyanide at the Company's operations. In addition, the Company notes that the use of cyanide in the processing of gold is common in the industry within Brazil and is not prohibited by any federal law in Brazil and that the Company complies with proper safety standards in the use and handling of cyanide in its operations. The Company believes the claims are without merit. As the matter progresses, the Company will review its assessment.

iv. December 2021 SEMA Notices of Infraction

On December 30, 2021, the Company announced that it intended to file a defense to three Notices of Infraction (the "Notices") that were delivered by the Amapá State Environmental Agency ("SEMA") to Tucano on December 21, 2021. The Notices were issued in connection with SEMA's investigation of a fish mortality event at Areia and Silvestre Creeks, and its assertion that the incident was caused by a leak in a reclaimed water pipe at the Tucano mine site. The Notices impose aggregate fines of BRL 50 million (approximately \$9.0 million at December 31, 2021).

The Company has filed its defense with a position that there is no causal link between the incident and the Tucano mine and has applied for the cancellation of the infraction notices issued by SEMA.

26. RELATED PARTY TRANSACTIONS

Key management personnel include the Company's Directors, President and Chief Executive Officer, Chief Operating Officer, Chief Financial Officer, and vice presidents. Amounts owing to key management personnel are included in trade and other payables. The Company is committed to making severance payments amounting to approximately \$3.6 million to certain officers and management in the event of a change in control of the Company. Compensation to key management personnel consisted of the following:

	2021	2020
Salaries and benefits	\$ 3,009	\$ 3,059
Contract completion bonus – interim CEO	–	171
Directors' fees	692	531
Termination benefits	665	–
Share-based compensation	1,266	1,935
	<u>\$ 5,632</u>	<u>\$ 5,696</u>

27. SUPPLEMENTAL CASH FLOW INFORMATION

(a) Other items

	2021	2020
Accretion expense	\$ 3,093	\$ 2,629
Finance expense	2,604	3,981
Finance income	(248)	(346)
Gain on sale of Cangold	(823)	–

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	\$	4,626	\$	6,264
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(b) Non-cash investing and financing activities

	2021	2020
Change in reclamation and remediation provision included within mineral properties, plant and equipment and exploration and evaluation assets	\$ 815	\$ 13,943
Change in lease liability related to right-of-use assets	2,824	890
Shares issued upon settlement of obligation	\$ 53	39

28. OPERATING SEGMENTS

The Company's operations are all within the mining sector, consisting of three operating segments, two of which are located in Mexico, one of which is located in Brazil, plus one segment associated with Coricancha in Peru, one Exploration segment and one Corporate segment. Due to diversities in geography and production processes, the Company operates Tucano, the GMC and Topia mines separately, with separate budgeting and evaluation of results of operations and exploration activities. The Coricancha segment contains the net assets associated with Coricancha, and the cost of its exploration, evaluation and development activities are separately budgeted and reported. The Corporate segment provides financial, human resources and technical support to the three mining operations and Coricancha. The GMC operation produces silver and gold in concentrate, and the Topia operation produces silver, gold, lead and zinc in concentrate for refining off-site. The Tucano operation produces gold doré. The Exploration segment includes the Company's mineral exploration and evaluation assets at Santa Rosa, El Horcón, and Plomo.

	Operations						Total
	Tucano	GMC	Topia	Coricancha	Exploration	Corporate	
2021							
External revenue	\$ –	\$ 21,687	\$ 22,409	\$ –	\$ –	\$ 141,582	\$ 185,678
Intersegment revenue	137,615	–	–	–	–	(137,615)	–
Amortization and depletion	25,675	1,228	3,586	254	–	258	31,001
Exploration and evaluation expenses	161	2,574	1,237	8,247	399	345	12,963
Non-cash change in reclamation and remediation provision	–	391	–	–	–	–	391
Finance income	131	–	–	5	–	112	248
Finance expense	1,551	–	–	374	–	679	2,604
Income (loss) before income taxes	(12,185)	(8,514)	(369)	(9,553)	(383)	(11,198)	(42,202)
Income tax expense (recovery)	5	47	(13)	–	–	–	39
Net income (loss)	(12,190)	(8,561)	(356)	(9,553)	(383)	(11,198)	(42,241)
Additions to non-current assets	38,640	1,690	5,692	1,996	–	–	48,018
As at December 31, 2021							
Total assets	\$149,474	\$ 4,747	\$ 17,490	\$ 47,761	\$ 2,155	\$ 42,416	\$ 264,043
Total liabilities	\$ 78,671	\$ 19,964	\$ 2,070	\$ 45,969	\$ 40	\$ 29,338	\$ 176,052

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	Operations				Exploration	Corporate	Total
	Tucano	GMC	Topia	Coricancha			
2020							
External revenue	\$ —	\$ 21,219	\$ 15,896	\$ —	\$ —	\$ 223,690	\$260,805
Intersegment revenue	210,623	—	—	—	—	(210,623)	—
Amortization and depletion	35,986	1,564	2,745	198	—	258	40,751
Exploration and evaluation expenses	669	2,540	341	5,982	187	651	10,370
Non-cash change in reclamation and remediation provision	—	41	—	—	—	—	41
Care and maintenance costs	—	693	—	—	—	—	693
Finance income	121	—	—	—	—	226	347
Finance expense	2,597	—	—	188	—	1,196	3,981
Income (loss) before income taxes	46,549	(2,621)	(734)	(6,503)	(667)	(31,899)	4,125
Income tax expense	3,751	26	14	—	—	—	3,791
Net income (loss)	42,798	(2,647)	(748)	(6,503)	(667)	(31,899)	334
Additions to non-current assets	42,109	4	3,794	10,831	—	43	56,781
As at December 31, 2020							
Total assets	\$ 167,524	\$ 4,597	\$ 14,456	\$ 44,705	\$ 2,126	\$ 47,012	\$280,420
Total liabilities	\$ 87,304	\$ 16,535	\$ 2,244	\$ 43,333	\$ 500	\$ 18,801	\$168,717

This is **Exhibit "P"** referred to in the Affidavit of **Sandra Daycock**, affirmed before me at Vancouver, British Columbia, this 28th day of September, 2022.

A handwritten signature in blue ink, consisting of several fluid, connected strokes, positioned above a horizontal line.

A Commissioner for Oaths for
the Province of British Columbia



GREAT PANTHER MINING LIMITED
CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE THREE AND NINE MONTHS ENDED
SEPTEMBER 30, 2021, and 2020

Expressed in US Dollars
(Unaudited)

GREAT PANTHER MINING LIMITED**CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**

(Expressed in thousands of US dollars - Unaudited)

	September 30, 2021	December 31, 2020
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 35,856	\$ 63,396
Restricted cash	1,025	1,024
Trade and other receivables (note 4)	16,014	15,644
Inventories (note 5)	27,306	33,743
Other current assets (note 6)	10,432	5,675
	90,633	119,482
Other receivables (note 4)	7,717	11,836
Mineral properties, plant and equipment (note 7)	117,537	110,559
Exploration and evaluation assets	26,765	26,334
Other assets (note 8)	9,331	12,209
	\$ 251,983	\$ 280,420
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Trade payables and accrued liabilities (note 9(a))	\$ 48,771	\$ 53,221
Current portion of borrowings (note 10)	33,670	30,933
Derivative liabilities (note 11)	—	2,974
Reclamation and remediation provisions – current	4,369	958
	86,810	88,086
Other liabilities (note 9(b))	4,846	6,117
Borrowings (note 10)	10,405	2,465
Reclamation and remediation provisions	62,973	67,367
Deferred tax liabilities	4,576	4,682
	169,610	168,717
Shareholders' equity:		
Share capital (note 13)	270,139	268,872
Reserves	9,442	11,604
Deficit	(197,208)	(168,773)
	82,373	111,703
	\$ 251,983	\$ 280,420

The accompanying notes are an integral part of these consolidated financial statements.

Commitments and contingencies (note 19)

Subsequent events (note 23)

Approved by the Board of Directors"David Garofalo"

David Garofalo, Director

"Elise Rees"

Elise Rees, Director

GREAT PANTHER MINING LIMITED**CONDENSED INTERIM CONSOLIDATED STATEMENTS OF INCOME (LOSS)**

(Expressed in thousands of US dollars, except per share amounts - Unaudited)

For the three and nine months ended September 30, 2021 and 2020

	Three months ended September 30,		Nine months ended September 30,	
	2021	2020	2021	2020
Revenue (note 14)	\$ 38,351	\$ 77,019	\$ 143,018	\$ 192,097
Cost of sales				
Production costs (note 15)	38,849	35,028	116,574	100,249
Amortization and depletion	6,615	10,099	23,166	30,125
	45,464	45,127	139,740	130,374
Mine operating earnings (loss)	(7,113)	31,892	3,278	61,723
General and administrative expenses (note 16)	3,688	3,456	11,650	10,639
Exploration, evaluation, and development expenses				
Exploration and evaluation expenses (note 17)	3,622	3,012	9,077	8,137
Mine development costs	1,065	1,010	3,098	1,887
Change in reclamation and remediation provisions	(6)	22	(6)	57
	4,681	4,044	12,169	10,081
Care and maintenance costs	–	142	–	693
Operating earnings (loss)	(15,482)	24,250	(20,541)	40,310
Finance and other income (expense)				
Finance income	70	54	207	234
Finance expense	(694)	(1,019)	(2,091)	(2,496)
Other expense (note 18)	(1,941)	(2,484)	(5,789)	(48,835)
	(2,565)	(3,449)	(7,673)	(51,097)
Income (loss) before income taxes	(18,047)	20,801	(28,214)	(10,787)
Income tax expense (recovery)	–	2,166	221	2,490
Net income (loss) for the period	\$ (18,047)	\$ 18,635	\$ (28,435)	\$ (13,277)
Earnings (loss) per share – basic (note 13(d))	\$ (0.05)	\$ 0.05	\$ (0.08)	\$ (0.04)
Earnings (loss) per share – diluted (note 13(d))	\$ (0.05)	\$ 0.05	\$ (0.08)	\$ (0.04)

The accompanying notes are an integral part of these consolidated financial statements.

GREAT PANTHER MINING LIMITED**CONDENSED INTERIM CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)**

(Expressed in thousands of US dollars - Unaudited)

For the three and nine months ended September 30, 2021 and 2020

	Three months ended September 30,		Nine months ended September 30,	
	2021	2020	2021	2020
Net income (loss) for the period	\$ (18,047)	\$ 18,635	\$ (28,435)	\$ (13,277)
Other comprehensive income (loss) ("OCI"), net of tax				
Foreign currency translation	(7,199)	(1,335)	(2,916)	(12,208)
Change in fair value of financial assets designated as fair value through OCI, net of tax	1	—	2	1
	(7,198)	(1,335)	(2,914)	(12,207)
Total comprehensive income (loss) for the period	\$ (25,245)	\$ 17,300	\$ (31,349)	\$ (25,484)

The accompanying notes are an integral part of these consolidated financial statements.

GREAT PANTHER MINING LIMITED

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (Expressed in thousands of US dollars, except number of common shares - Unaudited)

For the nine months ended September 30, 2021 and 2020

	Share capital		Reserves					Total shareholders' equity
	Number of common shares (000s)	Amount	Share options and warrants	Foreign currency translation	Fair value	Total reserves	Deficit	
Balance, January 1, 2020	311,941	\$ 252,186	\$ 20,575	\$ (2,972)	\$ (183)	\$ 17,420	\$ (169,107)	\$ 100,499
Shares issued for bought deal financing (note 13(e))	40,250	14,705	-	-	-	-	-	14,705
Restricted and deferred share units settled	1,390	531	(531)	-	-	(531)	-	-
Shares issued upon settlement of obligation	88	39	-	-	-	-	-	39
Share options exercised	1,009	1,117	(551)	-	-	(551)	-	566
Share-based compensation	-	-	1,863	-	-	1,863	-	1,863
Comprehensive income (loss)	-	-	-	(12,208)	1	(12,207)	(13,277)	(25,484)
Balance, September 30, 2020	354,678	\$ 268,578	\$ 21,356	\$ (15,180)	\$ (182)	\$ 5,994	\$ (182,384)	\$ 92,188
Balance, January 1, 2021	355,033	\$ 268,872	\$ 21,815	\$ (10,029)	\$ (182)	\$ 11,604	\$ (168,773)	\$ 111,703
Shares issued upon settlement of obligation	87	53	-	-	-	-	-	53
Restricted and deferred share units settled	901	683	(683)	-	-	(683)	-	-
Share options exercised	775	531	(154)	-	-	(154)	-	377
Share-based compensation	-	-	1,589	-	-	1,589	-	1,589
Comprehensive income (loss)	-	-	-	(2,916)	2	(2,914)	(28,435)	(31,349)
Balance, September 30, 2021	356,796	\$ 270,139	\$ 22,567	\$ (12,945)	\$ (180)	\$ 9,442	\$ (197,208)	\$ 82,373

The accompanying notes are an integral part of these consolidated financial statements.

GREAT PANTHER MINING LIMITED**CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS**
(Expressed in thousands of US dollars - Unaudited)

For the three and nine months ended September 30, 2021 and 2020

	Three months ended September 30,		Nine months ended September 30,	
	2021	2020	2021	2020
Cash flows from operating activities:				
Net income (loss) for the period	\$ (18,047)	\$ 18,635	\$ (28,435)	\$ (13,277)
Items not involving cash:				
Amortization and depletion	6,756	10,213	23,548	30,466
Change in reclamation and remediation provision	(6)	22	(6)	57
Loss on derivative instruments	—	776	572	30,563
Unrealized foreign exchange loss (gain)	945	(1,235)	503	12,753
Income tax expense (recovery)	—	2,166	221	2,490
Share-based compensation	358	455	1,589	1,863
Other non-cash items (note 21(a))	1,449	1,475	4,135	4,250
Interest received	70	61	207	233
Interest paid	(181)	(191)	(952)	(2,000)
Settlement of derivative instruments	—	(6,091)	(3,546)	(15,479)
Income taxes paid	(39)	(47)	(174)	(678)
	(8,695)	26,239	(2,338)	51,241
Net change in operating assets and liabilities:				
Trade and other receivables	153	(542)	2,559	(693)
Inventories	545	(1,773)	4,895	(1,446)
Other current assets	831	1,735	(1,329)	(3,349)
Trade payables and accrued liabilities	(792)	(5,998)	(2,912)	5,164
Net cash provided by (used in) operating activities	(7,958)	19,661	875	50,917
Cash flows from investing activities:				
Cash restricted for Coricancha environmental bond	—	(39)	(400)	(13)
Additions to mineral properties, plant and equipment	(6,412)	(8,677)	(33,890)	(33,033)
Net cash provided by (used in) investing activities	(6,412)	(8,716)	(34,290)	(33,046)
Cash flows from financing activities:				
Proceeds from bought deal financing, net (note 13(e))	—	—	—	14,705
Payment of lease liabilities	(1,602)	(1,358)	(4,571)	(4,401)
Proceeds from borrowings	24,926	1,000	34,476	21,569
Repayment of borrowings	(7,400)	(3,913)	(24,116)	(18,494)
Proceeds from exercise of share options	53	559	377	566
Net cash provided by (used in) financing activities	15,977	(3,712)	6,166	13,945
Effect of foreign currency translation on cash and cash equivalents	(980)	(790)	(291)	(2,138)
Increase (decrease) in cash and cash equivalents	627	6,443	(27,540)	29,678
Cash and cash equivalents, beginning of period	35,229	60,205	63,396	36,970
Cash and cash equivalents, end of period	\$ 35,856	\$ 66,648	\$ 35,856	\$ 66,648

The accompanying notes are an integral part of these consolidated financial statements.

Supplemental cash flow information (note 21)

GREAT PANTHER MINING LIMITED

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
(Tabular amounts expressed in thousands of US dollars, except where otherwise noted)

As at and for the three and nine months ended September 30, 2021 and 2020 (Unaudited)

1. NATURE OF OPERATIONS

Great Panther Mining Limited ("Great Panther" or the "Company") is a public company listed on the Toronto Stock Exchange ("TSX") trading under the symbol GPR, and on the NYSE American trading under the symbol GPL and is incorporated and domiciled in Canada. The Company's registered and records office is located at 1330 – 200 Granville Street, Vancouver, BC.

The Company has three wholly owned mining operations including the Tucano gold mine ("Tucano"), which produces gold doré and is located in Amapá State in northern Brazil. In Mexico, Great Panther operates the Topia mine ("Topia") in the state of Durango, which produces concentrates containing silver, gold, lead and zinc, and the Guanajuato Mine Complex (the "GMC") in the state of Guanajuato. The GMC comprises the Guanajuato mine ("Guanajuato"), the San Ignacio mine ("San Ignacio") and the Cata processing plant, which produces silver and gold concentrates.

The Company also wholly owns the Coricancha Mine Complex ("Coricancha"), a gold-silver-copper-lead-zinc mine and processing facility in the central Andes of Peru, approximately 90 kilometres east of Lima. Coricancha was acquired by the Company in June 2017, having been placed on care and maintenance by its previous owner in August 2013. The Company continues to evaluate a restart of Coricancha.

The Company has a portfolio of exploration projects. The El Horcón property is located 100 kilometres by road northwest of Guanajuato, Santa Rosa is located 15 kilometres northeast of Guanajuato, and the Plomo property is located in Sonora, Mexico.

These condensed interim consolidated financial statements ("consolidated financial statements") have been prepared on a going concern basis, which contemplates the continuity of normal business activity and the realization of assets and the settlement of liabilities in the normal course of business. The Company's objectives in the management of capital are described in note 12.

In March 2020, the World Health Organization declared a global pandemic following the emergence and rapid spread of a novel strain of the coronavirus respiratory disease ("COVID-19"). The Company continues to closely monitor the developments of COVID-19, and its variants, with a focus on the jurisdictions in which the Company operates and its head office location in Canada. The worldwide spread of COVID-19 is prompting governments to implement different measures to curb the spread of COVID-19 regularly. During this period of uncertainty, the Company's priority is to continue to safeguard the health and safety of personnel and host communities, support and enforce government actions to slow the spread of COVID-19 and assess and mitigate the risks to the business continuity. As the extent and duration of the impacts from COVID-19 remain unclear, the Company's estimates and assumptions may evolve as conditions change. Actual results could differ significantly from those estimates.

2. BASIS OF PREPARATION

These condensed interim consolidated financial statements have been prepared in accordance with International Accounting Standard 34 Interim Financial Reporting ("IAS 34") using accounting policies consistent with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). These should be read in conjunction with the Company's most recent annual consolidated financial statements as at and for the year ended December 31, 2020. The accounting policies and critical estimates applied by the Company in these condensed interim consolidated financial statements are the same as those applied in the most recent annual consolidated financial statements. These condensed interim consolidated financial statements do not include all the information required for full annual financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of changes in the Company's financial position and performance since the most recent annual consolidated financial statements.

These condensed interim consolidated financial statements were approved by the Company's Board of Directors on November 3, 2021.

GREAT PANTHER MINING LIMITED

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
(Tabular amounts expressed in thousands of US dollars, except where otherwise noted)

As at and for the three and nine months ended September 30, 2021 and 2020 (Unaudited)

3. ACCOUNTING STANDARDS ISSUED AND ADOPTED ON JANUARY 1, 2021**(a) New and amended IFRS standards not yet effective**

There are no IFRS standards or International Financial Reporting Interpretations Committee interpretations that are not yet effective or early adopted that are expected to have a material impact on the Company.

4. TRADE AND OTHER RECEIVABLES

	September 30, 2021	December 31, 2020
Current		
Trade receivables	\$ 3,153	\$ 2,011
Value-added tax receivable	3,286	3,839
PIS / COFINS – Brazil (a)	9,082	8,732
Judicial deposits – Brazil	288	302
Other	205	760
	16,014	15,644
Non-Current		
PIS / COFINS – Brazil (a)	4,752	9,058
Income taxes recoverable – Brazil	2,773	2,764
Other	192	14
	\$ 7,717	\$ 11,836

(a) PIS/COFINS

The PIS (Program of Social Integration) and COFINS (Contribution for the Financing of Social Security) are Brazilian federal taxes that apply to all companies in the private sector. PIS is a mandatory employer contribution to an employee savings initiative, and COFINS is a contribution to finance the social security system. Companies are required to calculate and remit PIS and COFINS based on monthly gross revenues. The Company's Brazilian gold sales are zero-rated for PIS/COFINS purposes; however, the current legislation allows for input tax credits to offset the amounts due by applying rates of 1.65% for PIS and 7.65% for COFINS, respectively, to some of the purchases in Brazil. As such, the Company has PIS/COFINS credits recorded as receivables.

The Company continues to pursue the refund of its PIS/COFINS receivables. To the extent the Company is unable to receive refunds for all its PIS/COFINS assets, the PIS/COFINS assets are expected to be recoverable through the Company generating future Brazilian federal tax liabilities. At the Company's election, these federal tax liabilities can be offset against the Company's PIS/COFINS assets.

GREAT PANTHER MINING LIMITED

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
(Tabular amounts expressed in thousands of US dollars, except where otherwise noted)

As at and for the three and nine months ended September 30, 2021 and 2020 (Unaudited)

5. INVENTORIES

	September 30, 2021	December 31, 2020
Concentrate	\$ 1,206	\$ 578
Ore stockpiles	1,151	11,562
Materials and supplies	21,705	18,538
Gold in circuit	1,051	1,266
Gold bullion	2,189	1,794
Silver bullion	4	5
	\$ 27,306	\$ 33,743

During the three and nine months ended September 30, 2021, the inventory recognized as cost of sales was \$44.5 million and \$136.4 million, respectively (three and nine months ended September 30, 2020 – \$30.4 million and \$94.4 million, respectively), which includes production costs and amortization and depletion directly attributable to the inventory production process.

6. OTHER CURRENT ASSETS

	September 30, 2021	December 31, 2020
Prepaid expenses and deposits	\$ 5,399	\$ 3,569
Reimbursement rights (note 8(a))	4,943	1,918
Other current assets	90	188
	\$ 10,432	\$ 5,675

GREAT PANTHER MINING LIMITED

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
(Tabular amounts expressed in thousands of US dollars, except where otherwise noted)

As at and for the three and nine months ended September 30, 2021 and 2020 (Unaudited)

7. MINERAL PROPERTIES, PLANT AND EQUIPMENT

	Mineral properties – depletable	Mineral properties – non depletable	Plant and equipment	Land and buildings	Furniture, fixtures and equipment	Right-of- use assets	Total
Cost							
Balance, January 1, 2021	\$ 88,162	\$ 33,869	\$ 76,081	\$23,797	\$ 5,507	\$ 18,905	\$ 246,321
Additions	29,343	–	2,942	1,467	138	2,839	36,729
Change in remediation provision	(1,847)	–	(208)	–	–	–	(2,055)
Disposals	–	–	–	–	(35)	–	(35)
Foreign exchange translation difference	(2,659)	(1,511)	(1,671)	(947)	(31)	(750)	(7,569)
Balance, September 30, 2021	\$112,999	\$ 32,358	\$ 77,144	\$24,317	\$ 5,579	\$ 20,994	\$273,391
Accumulated depreciation							
Balance, January 1, 2021	\$ 53,625	\$ –	\$ 56,918	\$ 9,343	\$ 4,933	\$ 10,943	\$ 135,762
Amortization and depletion	13,158	–	3,668	2,033	184	3,951	22,994
Disposals	–	–	–	–	(35)	–	(35)
Foreign exchange translation difference	(900)	–	(1,073)	(343)	(28)	(523)	(2,867)
Balance, September 30, 2021	\$ 65,883	\$ –	\$ 59,513	\$11,033	\$ 5,054	\$ 14,371	\$ 155,854
Carrying value, September 30, 2021	\$ 47,116	\$ 32,358	\$ 17,631	\$13,284	\$ 525	\$ 6,623	\$ 117,537

GREAT PANTHER MINING LIMITED

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
(Tabular amounts expressed in thousands of US dollars, except where otherwise noted)

As at and for the three and nine months ended September 30, 2021 and 2020 (Unaudited)

	Mineral properties – depletable	Mineral properties – non depletable	Plant and equipment	Land and buildings	Furniture, fixtures and equipment	Right-of- use assets	Total
Cost							
Balance, January 1, 2020	\$ 58,237	\$ 43,186	\$ 83,335	\$22,548	\$ 5,636	\$ 22,685	\$ 235,627
Additions	32,754	–	3,499	5,692	3	890	42,838
Change in remediation provision	3,546	–	(342)	–	–	–	3,204
Foreign exchange translation difference	(6,375)	(9,317)	(10,411)	(4,443)	(132)	(4,670)	(35,348)
Balance, December 31, 2020	\$ 88,162	\$ 33,869	\$ 76,081	\$23,797	\$ 5,507	\$ 18,905	\$ 246,321
Accumulated depreciation							
Balance, January 1, 2020	\$ 38,964	\$ –	\$ 44,769	\$ 5,726	\$ 4,549	\$ 7,809	\$ 101,817
Amortization and depletion	15,790	–	15,435	4,508	430	4,881	41,044
Foreign exchange translation difference	(1,129)	–	(3,286)	(891)	(46)	(1,747)	(7,099)
Balance, December 31, 2020	\$ 53,625	\$ –	\$ 56,918	\$ 9,343	\$ 4,933	\$ 10,943	\$ 135,762
Carrying value, December 31, 2020	\$ 34,537	\$ 33,869	\$ 19,163	\$14,454	\$ 574	\$ 7,962	\$ 110,559

(a) Leases

i) Right-of-use assets

	Mining equipment	Power generators	Vehicles	Office & communication	Land easements	Total
Balance, January 1, 2021	\$ 3,925	\$ 2,508	\$ 476	\$ 478	\$ 575	\$ 7,962
Additions	1,961	6	182	–	690	2,839
Amortization and depletion	(2,265)	(1,029)	(361)	(168)	(128)	(3,951)
Foreign exchange translation difference	(132)	(59)	(36)	–	–	(227)
Balance, September 30, 2021	\$ 3,489	\$ 1,426	\$ 261	\$ 310	\$ 1,137	\$ 6,623

	Mining equipment	Power generators	Vehicles	Office & communication	Land easements	Total
Balance, January 1, 2020	\$ 7,376	\$ 5,035	\$ 1,095	\$ 658	\$ 712	\$ 14,876
Additions	801	–	–	89	–	890
Amortization and depletion	(2,663)	(1,437)	(378)	(266)	(137)	(4,881)
Foreign exchange translation difference	(1,589)	(1,090)	(241)	(3)	–	(2,923)
Balance, December 31, 2020	\$ 3,925	\$ 2,508	\$ 476	\$ 478	\$ 575	\$ 7,962

GREAT PANTHER MINING LIMITED

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
(Tabular amounts expressed in thousands of US dollars, except where otherwise noted)

As at and for the three and nine months ended September 30, 2021 and 2020 (Unaudited)

ii) Lease liabilities

	September 30, 2021	December 31, 2020
Maturity analysis – contractual undiscounted cash flows		
Less than one year	\$ 5,333	\$ 5,855
One to five years	5,039	5,475
More than five years	234	98
Total undiscounted lease liabilities	10,606	11,428
Lease liabilities in the Consolidated Statement of Financial Position	9,602	11,221
Current (note 9 (a))	4,948	5,296
Non-current (note 9 (b))	\$ 4,654	\$ 5,925

iii) Amount recognized in the Consolidated Statements of Comprehensive Income

	Three months ended September 30,		Nine months ended September 30,	
	2021	2020	2021	2020
Interest on lease liabilities	\$ 228	\$ 249	\$ 700	\$ 879
Variable lease payments not included in the measurement of lease liabilities	9,394	11,061	33,997	37,662
Expenses relating to short-term leases	3,943	4,546	15,651	11,090

The Company has elected not to separate the lease component from the non-lease component for short-term leases that have a lease term of less than one year.

8. OTHER ASSETS

	September 30, 2021	December 31, 2020
Reimbursement rights (a)	\$ 9,301	\$ 12,178
Restricted cash	30	31
	\$ 9,331	\$ 12,209

(a) Reimbursement rights

Pursuant to the acquisition of Coricancha, the vendors, Nyrstar International B.V. and Nyrstar Netherlands (Holdings) B.V. (together "Nyrstar") and their parent company (at the time of the acquisition, Nyrstar N.V. and subsequently replaced by NN2 Newco Limited), agreed to reimburse the Company for:

- the cost of movement and reclamation of certain legacy tailings facilities should the regulatory authorities require these to be moved, up to a maximum of \$20.0 million; and
- all fines or sanctions that arise before or after closing resulting from activities or ownership of Coricancha prior to June 30, 2017, up to a maximum of \$4.0 million.

GREAT PANTHER MINING LIMITED

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
(Tabular amounts expressed in thousands of US dollars, except where otherwise noted)

As at and for the three and nine months ended September 30, 2021 and 2020 (Unaudited)

9. TRADE PAYABLES AND ACCRUED LIABILITIES AND OTHER LIABILITIES**(a) Trade payables and accrued liabilities**

	September 30, 2021	December 31, 2020
Trade payables	\$ 19,478	\$ 27,478
Accrued liabilities	18,138	14,758
Taxes payable	3,250	3,306
Lease liabilities	4,948	5,296
Other payables	2,957	2,383
	\$ 48,771	\$ 53,221

(b) Other liabilities

	September 30, 2021	December 31, 2020
Lease liabilities	\$ 4,654	\$ 5,925
Accrued liabilities	192	192
	\$ 4,846	\$ 6,117

10. BORROWINGS

	MACA	Unsecured bank facilities	Bradesco	Samsung	Asahi	Total
Balance, January 1, 2021	\$ 3,010	\$ 17,516	\$ 2,404	\$ 10,468	\$ –	\$ 33,398
Borrowings	–	14,630	–	–	19,846	34,476
Interest accrued	18	742	142	260	28	1,190
Principal repayments	(2,937)	(9,900)	(834)	(10,446)	–	(24,117)
Interest payments	(59)	(293)	(206)	(282)	–	(840)
Foreign exchange	(32)	–	–	–	–	(32)
Balance, September 30, 2021	\$ –	\$ 22,695	\$ 1,506	\$ –	\$ 19,874	\$ 44,075
Current	\$ –	\$ 22,695	\$ 951	\$ –	\$ 10,024	\$ 33,670
Non-current	\$ –	\$ –	\$ 555	\$ –	\$ 9,850	\$ 10,405

(a) Unsecured bank facilities

The Company has unsecured, revolving, interest-bearing bank facilities totalling \$22.7 million. The unsecured bank facilities are denominated in US dollars ("USD") and are interest bearing at a weighted average fixed interest rate of 5.3% per annum and are repayable through August 2022.

(b) Bradesco

On March 11, 2020, the Company received a USD denominated loan from Bradesco in the amount of \$10.0 million, with net loan proceeds of \$2.5 million as \$7.5 million is required to be retained as cash collateral.

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The loan matures on February 24, 2023 and is required to be repaid in nine quarterly repayments of \$1.1 million commencing March 5, 2021. The return of the cash collateral will be proportionate to the quarterly loan repayments, resulting in net quarterly repayments of \$0.3 million commencing March 5, 2021. The loan principal bears interest at 3.7% per annum, and the cash collateral earns interest at rates from 1.55% to 2.40% per annum. At September 30, 2021, the principal balance outstanding is \$6.7 million (December 31, 2020 – \$10 million). Cash collateral of \$5.2 million (December 31, 2020 \$7.6 – million) has been netted against the outstanding principal balance.

(c) Samsung

On January 6, 2020, the Company entered an \$11.3 million gold doré prepayment agreement with Samsung (the "Agreement"). In consideration of delivery and sale of approximately 3,000 ounces of gold contained in doré per month over a two-year period commencing January 2020 from Tucano, Samsung has agreed to advance \$11.3 million (the "Samsung Advance") to Great Panther. Gold deliveries are sold at a 0.65% discount to the benchmark price of gold at the time of delivery. The Advance is repayable in equal monthly instalments of \$0.8 million which commenced December 2020 and continue to January 2022 such that all amounts outstanding to Samsung will be repaid in full. The Advance bears interest at an annual rate of 3-month USD LIBOR plus 5% and is secured by a pledge of all equity interests in Great Panther's Brazilian subsidiary that owns Tucano. On September 21, 2021, the Company repaid the outstanding balance of \$3.2 million on the Samsung Advance, incurring a 3% penalty for early repayment, and releasing the shares held for security. The Agreement also provides Samsung with a right of offer for concentrates produced from Coricancha in certain circumstances.

(d) Asahi

On September 21, 2021, the Company entered into a \$20 million gold doré prepayment agreement with Asahi (the "Asahi Advance"). The Asahi Advance is repayable in twelve equal monthly instalments of \$1.7 million commencing in April 2022. The Advance bears interest at an annual rate of 1-month USD LIBOR plus 4.75% and is secured by a pledge of all equity interests in Great Panther's Brazilian subsidiary that owns Tucano. Great Panther has a full option for early repayment of the Advance, subject to a 3% penalty applied to the outstanding balance. Asahi is provided exclusivity on refining and will purchase 100% of Tucano gold production during the term of the agreement. Tucano will sell the equivalent volume of gold equal to the \$1.7 million principal repayment at a 0.5% discount to the spot price at the time of sale and the remainder of the production will be sold at spot prices.

11. FINANCIAL INSTRUMENTS

At September 30, 2021, the fair value of the Company's long-term borrowings approximates their carrying values measured based on the level 2 of the fair value hierarchy.

The fair value of other financial instruments approximates their carrying values due to their short-term nature.

The Company had no outstanding non-deliverable forward foreign exchange contracts for Brazilian real ("BRL") against USD at September 30, 2021. At December 31, 2020, the Company had BRL 88.2 million of non-deliverable forward foreign exchange contracts for which the fair value of these contracts resulted in a liability of \$3.0 million.

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12. CAPITAL MANAGEMENT

The Company's objectives when managing capital are to:

- ensure there are adequate capital resources to support the Company's ability to continue as a going concern;
- maintain adequate levels of cash to support the acquisition, exploration and development of mineral properties, exploration and evaluation assets, and the operation of producing mines;
- maintain investor, creditor and market confidence to sustain future development of the business; and
- provide returns to shareholders and benefits for other stakeholders.

In assessing the capital structure of the Company, management includes in its assessment the components of shareholders' equity and debt, net of cash and cash equivalents and short-term deposits. The Company plans to use existing cash, including cash raised through debt financing during the year ended December 31, 2021, as well as funds from future sales of precious metals to fund operations, development and exploration activities, and capital expenditures. The Company manages its capital in a manner that provides sufficient funding for operational activities. Annual capital and operating expenditure budgets, and rolling forecasts, are used to determine the necessary capital requirements. These budgets are approved by management and the Board and updated for changes in the underlying assumptions, economic conditions and risk characteristics of the underlying assets, as necessary. The Company will continue to focus on internally generating operating cash flow to minimize its future reliance on equity and debt financing. However, the Company has determined that it will require further financing through the offering of its share capital via the ATM Facility and will consider other equity and debt financing if necessary, in order to meet long-term objectives. The Company's capital structure is dependent on expected business growth and changes in the business environment. As at September 30, 2021, the Company was not subject to externally imposed capital requirements.

13. SHARE CAPITAL

(a) Share options

	Nine months ended September 30, 2021		Nine months ended September 30, 2020	
	Options (000's)	Weighted average exercise price	Options (000's)	Weighted average exercise price
Outstanding, January 1	9,709	C\$ 1.00	8,316	C\$ 1.20
Granted	2,341	1.04	6,255	0.56
Forfeited/Expired	(2,721)	1.41	(2,418)	0.80
Exercised	(775)	0.60	(1,009)	0.75
Outstanding, September 30	8,554	C\$ 0.92	11,144	C\$ 0.97
Exercisable, September 30	3,077	C\$ 1.16	3,435	C\$ 1.97

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Range of exercise prices	Options outstanding (000's)	Weighted average remaining contractual life (years)	Options exercisable (000's)	Weighted average exercise price
C\$0.54 to \$0.62	3,222	3.52	630	C\$ 0.54
C\$0.63 to \$1.10	3,807	3.77	1,037	0.92
C\$1.11 to \$1.62	978	1.83	863	1.50
C\$1.63 to \$2.19	547	0.54	547	1.81
	8,554	3.25	3,077	C\$ 1.16

During the three and nine months ended September 30, 2021, the Company recorded share-based compensation expense relating to share options of \$0.2 million and \$0.5 million, respectively (three and nine months ended September 30, 2020 – \$0.2 million and \$0.5 million, respectively).

The weighted average fair value of options granted during the nine months ended September 30, 2021, was C\$0.49 (nine months ended September 30, 2020 – C\$0.23). The grant date fair value of share options granted was determined using a Black Scholes option pricing model using the following weighted average assumptions:

	2021	2020
Risk-free interest rate	0.54%	0.45%
Expected life (years)	3.14	3.11
Annualized volatility	71%	62%
Forfeiture rate	20%	17%

The annualized volatility assumption is based on the historical volatility of the Company's common share price on the Toronto Stock Exchange. The risk-free interest rate assumption is based on government bonds with a remaining term equal to the expected life of the options.

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(b) Restricted share units ("RSUs"), Performance based restricted share unit ("PSUs") and Deferred share units ("DSUs")

The following table summarizes information about the RSUs outstanding at September 30, 2021 and 2020:

	Nine months ended September 30, 2021		Nine months ended September 30, 2020	
	Number of units	Weighted average grant date fair value (\$/unit)	Number of units	Weighted average grant date fair value (\$/unit)
Balance at January 1	1,911,434	C\$ 0.70	1,243,530	C\$ 1.19
Granted	822,144	1.01	1,636,000	0.56
Settled	(564,103)	0.76	(695,736)	1.06
Cancelled	(441,495)	0.75	(116,299)	1.13
Outstanding at September 30	1,727,980	C\$ 0.82	2,067,495	C\$ 0.74

The following table summarizes information about the PSUs outstanding at September 30, 2021, and 2020:

	Nine months ended September 30, 2021		Nine months ended September 30, 2020	
	Number of units	Weighted average grant date fair value (\$/unit)	Number of units	Weighted average grant date fair value (\$/unit)
Balance at January 1	1,904,500	C\$ 0.70	531,000	C\$ 1.14
Granted	780,968	1.04	1,510,700	0.56
Cancelled	(515,727)	0.71	(71,100)	1.05
Outstanding at September 30	2,169,741	C\$ 0.82	1,970,600	C\$ 0.70

The fair value of PSU was measured based on the fair value at the grant date using the Monte Carlo simulation technique on stock prices.

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The following table summarizes information about the DSUs outstanding at September 30, 2021, and 2020:

	Nine months ended September 30, 2021		Nine months ended September 30, 2020	
	Number of units	Weighted average grant date fair value (\$/unit)	Number of units	Weighted average grant date fair value (\$/unit)
Balance at January 1	2,420,189	C\$ 0.78	946,150	C\$ 1.19
Granted	781,354	0.91	2,257,600	0.58
Settled	(424,300)	1.15	(693,900)	0.69
Cancelled	(498,080)	0.66	—	—
Outstanding at September 30	2,279,163	C\$ 0.78	2,509,850	C\$ 0.78

During the three and nine months ended September 30, 2021, the Company recorded share-based compensation expense relating to RSUs, PSUs, and DSUs of \$0.2 million and \$1.1 million, respectively (three and nine months ended September 30, 2020 – \$0.2 million and \$1.3 million, respectively).

(c) Share purchase warrants

The Company has issued 9,749,727 share purchase warrants at an exercise price of \$1.317 per share. 6,321,695 share purchase warrants have an expiry date of May 17, 2022, and 3,428,032 share purchase warrants have an expiry date of June 27, 2022.

(d) Earnings (loss) per share

	Three months ended September 30,		Nine months ended September 30,	
	2021	2020	2021	2020
Income (loss) attributable to equity owners	\$ (18,047)	\$ 18,635	\$ (28,435)	\$ (13,277)
Weighted average number of shares (000's)	356,696	353,768	355,827	332,150
Earnings (loss) per share – basic	\$ (0.05)	\$ 0.05	\$ (0.08)	\$ (0.04)

	Three months ended September 30,		Nine months ended September 30,	
	2021	2020	2021	2020
Income (loss) attributable to equity owners	\$ (18,047)	\$ 18,635	\$ (28,435)	\$ (13,277)
Weighted average number of shares (000's)	356,696	353,768	355,827	332,150
Incremental shares from RSUs, PSUs and DSUs	—	9,306	—	—
Weighted average diluted number of shares (000's)	356,696	363,074	355,827	332,150
Earnings (loss) per share – diluted	\$ (0.05)	\$ 0.05	\$ (0.08)	\$ (0.04)

Anti-dilutive share purchase options, warrants, deferred share units, restricted share units and performance share units have not been included in the diluted earnings per share calculation.

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(e) Financings

On May 20, 2020, the Company closed a bought deal financing for aggregate gross proceeds of \$16.1 million, pursuant to which the Company issued 40,250,000 common shares of the Company at the price of \$0.40 per share. The Company paid a cash commission to the underwriters equal to 6% of the gross proceeds of the financing and recognized net proceeds of \$14.7 million after deducting share issuance costs.

14. REVENUE

The Company generates revenue primarily from the sale of precious metals, consisting of metal concentrates and refined gold.

In the following table, revenue is disaggregated by the geographic location of the Company's mines and major products.

	Three months ended September 30,					
	2021			2020		
	Brazil	Mexico	Total	Brazil	Mexico	Total
Gold	\$ 28,532	\$ 3,409	\$ 31,941	\$ 63,083	\$ 4,003	\$ 67,086
Silver	72	6,087	6,159	158	8,905	9,063
Lead	—	531	531	—	811	811
Zinc	—	758	758	—	996	996
Ore processing revenue	—	—	—	—	—	—
Smelting and refining charges	(9)	(757)	(766)	(24)	(1,300)	(1,324)
Revenue from contracts with customers	\$ 28,595	\$ 10,028	\$ 38,623	\$ 63,217	\$ 13,415	\$ 76,632
Changes in fair value from provisional pricing	—	(272)	(272)	—	387	387
Total revenue	\$ 28,595	\$ 9,756	\$ 38,351	\$ 63,217	\$ 13,802	\$ 77,019

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	Nine months ended September 30,					
	2021			2020		
	Brazil	Mexico	Total	Brazil	Mexico	Total
Gold	\$ 107,939	\$ 10,065	\$ 118,004	\$ 163,353	\$ 9,903	\$ 173,256
Silver	255	22,740	22,995	335	17,251	17,586
Lead	—	2,150	2,150	—	1,795	1,795
Zinc	—	3,006	3,006	—	2,425	2,425
Ore processing revenue	—	—	—	—	34	34
Smelting and refining charges	(33)	(2,935)	(2,968)	(68)	(3,084)	(3,152)
Revenue from contracts with customers	\$ 108,161	\$ 35,026	\$ 143,187	\$ 163,620	\$ 28,324	\$ 191,944
Changes in fair value from provisional pricing	—	(169)	(169)	—	153	153
Total revenue	\$ 108,161	\$ 34,857	\$ 143,018	\$ 163,620	\$ 28,477	\$ 192,097

The amount of revenue recognized in the three and nine months ended September 30, 2021, from performance obligations satisfied (or partially satisfied) in the previous period, due to the current period settlement of metal concentrate revenue recognized in the prior periods were \$nil million and \$0.2 million, respectively. At September 30, 2021, the Company had \$4.0 million in revenue subject to provisional pricing in relation to the sale of concentrates.

15. PRODUCTION COSTS

	Three months ended September 30,		Nine months ended September 30,	
	2021	2020	2021	2020
Raw materials and consumables	\$ 14,615	\$ 12,715	\$ 41,878	\$ 37,186
Salaries and employee benefits	5,525	4,140	14,919	11,780
Contractors	14,955	12,932	43,786	37,488
Repairs and maintenance	485	188	1,161	783
Site administration	740	1,007	2,897	2,855
Royalties	809	1,654	2,993	4,338
Mining duties	46	62	155	130
Share-based compensation	121	80	354	227
	37,296	32,778	108,143	94,787
Change in inventories	1,553	2,250	8,431	4,195
	38,849	35,028	116,574	98,982
Unabsorbed fixed costs (a)	—	—	—	1,267
Total production costs	\$ 38,849	\$ 35,028	\$ 116,574	\$ 100,249

(a) Unabsorbed fixed costs

The Company's operations in Mexico were shut down during April and May 2020 as a result of government orders due to the COVID-19 pandemic. During the shutdown, the Company incurred fixed costs for these operations, which otherwise would have been recorded to inventory but were expensed as incurred.

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16. GENERAL AND ADMINISTRATIVE EXPENSES

	Three months ended September 30,		Nine months ended September 30,	
	2021	2020	2021	2020
Salaries and employee benefits	\$ 1,146	\$ 1,286	\$ 4,232	\$ 3,633
Professional fees	630	407	1,231	1,381
Office and other expenses	1,572	1,295	4,691	3,719
Amortization	140	114	382	341
Share-based compensation	200	354	1,114	1,565
Total general and administrative expenses	\$ 3,688	\$ 3,456	\$ 11,650	\$ 10,639

17. EXPLORATION AND EVALUATION EXPENSES

	Three months ended September 30,		Nine months ended September 30,	
	2021	2020	2021	2020
Salaries and employee benefits	\$ 705	\$ 512	\$ 1,825	\$ 1,667
Raw materials and consumables	501	900	1,433	1,230
Professional fees	1,500	1,250	3,902	3,515
Office and other expenses	879	329	1,796	1,654
Share-based compensation	37	21	121	71
Total exploration and evaluation expenses	\$ 3,622	\$ 3,012	\$ 9,077	\$ 8,137

18. OTHER EXPENSE

	Three months ended September 30,		Nine months ended September 30,	
	2021	2020	2021	2020
Accretion expense	\$ 825	\$ 509	\$ 2,251	\$ 1,987
Loss on derivative instruments	—	776	572	30,563
Foreign exchange loss	663	1,193	1,470	15,096
Other expense	453	6	1,496	1,189
	\$ 1,941	\$ 2,484	\$ 5,789	\$ 48,835

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19. COMMITMENTS AND CONTINGENCIES

(a) Commitments

As at September 30, 2021, the Company had the following commitments:

	Total	1 year	2-3 years	4-5 years	Thereafter
Operating lease payments	\$ 3	\$ 3	\$ –	\$ –	\$ –
Drilling services	1,013	1,013	–	–	–
Equipment purchases	395	395	–	–	–
Total commitments	\$ 1,411	\$ 1,411	\$ –	\$ –	\$ –

In June 2020, Nyrstar agreed to extend its requirement to post remediation bond obligations as security for closure costs at Coricancha beyond the original June 30, 2020 expiry date. Nyrstar will maintain a \$7.0 million bond (previously \$9.7 million) until June 30, 2021 and \$6.5 million for the following year, effectively deferring Great Panther's funding requirements for these amounts until June 30, 2022, unless Great Panther decides to permanently close Coricancha. As at September 30, 2021, the total bond amount required was \$10.9 million, of which Nyrstar is responsible for \$6.5 million and the Company is responsible for \$4.4 million.

If a decision to permanently close the mine is made, Nyrstar will fund closure costs up to the revised amount of its bond funding obligation, and Coricancha will be required to post the full amount of the required remediation bond with Peruvian government authorities. If no decision is made to permanently close Coricancha by June 30, 2022, then Coricancha will likewise be required to post the full amount of the required reclamation bond. Nyrstar's obligation to indemnify the Company for up to \$20.0 million for closure of Cancha 1 and 2 tailings storage facilities is not changed by the Company's decision regarding Coricancha's future operating plans.

On August 18, 2021, the Peruvian government introduced a new Mine Closure Law (Law No. 31347). The new law contemplates increases to the mine closure bond requirement applicable to all mining companies in Peru. Whereas previously companies were required to provide bonds to cover "Final" and "Post-Closure" stages of the Mine Closure Plan, under the amended law the bonding requirement is inclusive of "Progressive Closure" costs (i.e., closure activities during the operation of the mine) for the main components of the mine. The law does not provide details such as specific costs, or the timing of payment or form of collateral to be provided, and these details are expected to be described in new regulations that are expected to be published by mid-November 2021. Prior to publication of the new regulations, the Company cannot estimate with certainty the amount or timing of incremental closure bond requirements for Coricancha or the impact of such requirements on the Company's liquidity.

(b) Contingencies

i) Coricancha

Coricancha has been on care and maintenance since August 2013.

Fines and sanctions

Nyrstar has agreed to reimburse the Company for all fines or sanctions that resulted from activities or ownership of Coricancha prior to June 30, 2017, up to a maximum of \$4.0 million. Accordingly, a reimbursement right in the amount of \$1.5 million has been recorded in respect of fines or sanctions that have been levied by regulatory bodies in Peru.

The Company has accrued for and recorded a further reimbursement right of \$0.4 million for certain civil lawsuits filed by individuals and former suppliers.

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Legacy tailings facilities

The Company has undertaken the reclamation of certain legacy tailings facilities at Coricancha. In addition, as part of the purchase of Coricancha, the Company has an agreement with Nyrstar for the reimbursement of the cost of these reclamation activities. The Company is seeking approval of a modification to a remediation plan in accordance with the recommendations of an independent consultant to preserve the stability of nearby areas by reclaiming the legacy tailings in situ. The Company has changed the scheduling of the reclamation work, pending a decision from the relevant regulatory bodies regarding the proposal to modify the approved remediation plan. The Company is exposed to potential fines, penalties and regulatory action until the modification to the remediation plan is approved.

Peruvian Tax Matters

The Company's Peruvian subsidiary Great Panther Coricancha S.A. ("GPC") has received notice from SUNAT, the Peruvian tax authority, that SUNAT intends to hold GPC jointly liable with respect to the unpaid taxes of a leasing company that sold the Coricancha mining assets to GPC (formerly Compañía Minera San Juan S.A.) in March 2006, prior to the Company's acquisition of Coricancha effective June 30, 2017. The SUNAT claim is for unpaid taxes and related fines of the taxpayer, which is not an affiliate of the Company, from its 2001 tax year, together with related fines. The amount claimed is approximately \$20 million.

The Company believes that the probability of the claim resulting in liability for GPC is remote and, as a consequence, has not recorded any contingency. The Company expects legal processes to take several years to reach a conclusion.

ii) **Tucano**

Various claims related to Brazil indirect taxes and labour matters

The Company has various litigation claims from a number of governmental assessments pertaining to indirect taxes and labour disputes associated with former employees and contract labour in Brazil.

As of September 30, 2021, the items for which a loss was probable, inclusive of any related interest, amounted to approximately \$1.8 million, for which a provision was recognized (as of September 30, 2020 – \$1.6 million).

In connection with the above proceedings, a total of \$0.3 million (December 31, 2020 - \$0.3 million) of escrow cash deposits were made as of September 30, 2021 (note 4). Generally, any escrowed amounts would be refundable to the extent the matters are resolved in the Company's favour.

Environmental damages - William Creek

In May 2009, the State of Amapá Public Prosecutor ("MPAP") filed a public civil action seeking payment for environmental damages caused to William Creek, as well as to other creeks located in the region of influence of Zamin Amapá Mineração ("Zamin") and Tucano mines. The alleged damage is related to the modification of the creek's riverbed, soiling and sedimentation. In January 2018, the Amapá State Court ordered Tucano to pay a fine of approximately \$1.2 million (BRL 6.0 million plus interest and inflation counted as from the date of the damage) to the State Environmental Fund. As at September 30, 2021, the updated value with interest and inflation is approximately \$5.8 million (BRL 31.6 million). The Company is in the process of appealing. Based on legal advice received, the best estimate of the loss is less than the full amount claimed, and the Company has accrued the best estimate of the cost to settle the claim.

Archaeological sites damage

In 2020, a settlement agreement was reached related to certain archaeological civil actions. Tucano agreed to provide BRL 8.0 million, no later than December 31, 2021, for implementation of socio-environmental measures in the local community and has accrued for this amount.

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In related proceedings, not covered by the settlement agreement, Tucano is in the process of appealing fines and damages arising in the Federal Court of Appeal. The likelihood of total loss is not considered probable based on legal advice received. However, the best estimate of the loss is less than the full amount claimed, and the Company has accrued the best estimate of costs to settle the claim.

Cyanide usage

In October 2018, the public prosecutor's office of labour affairs for the State of Amapá filed a public civil action seeking payment for potential damages and medical costs in relation to the Company's employees' exposure to cyanide used in the processing of its gold. In August 2019, a regional labour court ordered Tucano to pay compensation of approximately BRL 4.0 million plus interest and inflation for these damages, in addition to surveillance and funding medical costs of any diseases to Tucano's internal and outsourced employees and former employees, and to stop using cyanide in its production process within one year from the final non-appealable decision on the proceedings. Tucano is in the process of appealing to a Federal Superior Labour Court all aspects of the regional labour court decision. In March 2020, it was accepted that the appeal, exclusively with respect to whether or not the use of cyanide may continue, be admitted for consideration by the Federal Superior Labour Court and the balance of the decision has not yet been accepted for consideration and is under appeal. Tucano is not aware of any circumstances of former or current employees who have suffered health consequences from exposure to cyanide at the Company's operations. In addition, the Company notes that the use of cyanide in the processing of gold is common in the industry within Brazil and is not prohibited by any federal law in Brazil and that the Company complies with proper safety standards in the use and handling of cyanide in its operations. The Company believes the claims are without merit. As the matter progresses, the Company will review its assessment.

20. RELATED PARTY TRANSACTIONS

Other than transactions in the normal course of business with key management personnel, the Company had no transaction between related parties in the three and nine months ended September 30, 2021, and 2020.

21. SUPPLEMENTAL CASH FLOW INFORMATION

(a) Other non-cash items

	Three months ended September 30,		Nine months ended September 30,	
	2021	2020	2021	2020
Accretion and other expense	\$ 825	\$ 510	\$ 2,251	\$ 1,988
Finance income	(70)	(54)	(207)	(234)
Finance expense	694	1,019	2,091	2,496
	\$ 1,449	\$ 1,475	\$ 4,135	\$ 4,250

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(b) Non-cash investing and financing activities

	Three months ended September 30,		Nine months ended September 30,	
	2021	2020	2021	2020
Change in reclamation and remediation provision included within mineral properties, plant and equipment and exploration and evaluation assets	\$ (1,349)	\$ (218)	\$ (1,614)	\$ 1,143
Change in lease liability related to right-of-use assets	92	177	2,839	680
Shares issued upon settlement of obligation	53	–	53	–

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As at and for the three and nine months ended September 30, 2021 and 2020 (Unaudited)

22. OPERATING SEGMENTS

The Company's operations are all within the mining sector, consisting of three operating segments, two of which are located in Mexico, one of which is located in Brazil, plus one segment associated with Coricancha in Peru, one Exploration segment and one Corporate segment. Due to diversities in geography and production processes, the Company operates Tucano, the GMC and Topia mines separately, with separate budgeting and evaluation of results of operations and exploration activities. The Coricancha segment contains the net assets associated with Coricancha, and the cost of its exploration, evaluation and development activities are separately budgeted and reported. The Corporate segment provides financial, human resources and technical support to the three mining operations and Coricancha. The GMC operation produces silver and gold in concentrate, and the Topia operation produces silver, gold, lead and zinc in concentrate for refining off-site. The Tucano operation produces gold doré. The Exploration segment includes the Company's mineral exploration and evaluation assets at Santa Rosa, El Horcón, Plomo and Argosy.

	Operations			Coricancha	Exploration	Corporate	Total
	Tucano	GMC	Topia				
Three months ended September 30, 2021							
External revenue	\$ —	\$ 5,223	\$ 4,533	\$ —	\$ —	\$ 28,595	\$ 38,351
Intersegment revenue	27,537	—	—	—	—	(27,537)	—
Amortization and depletion	5,189	531	900	71	—	65	6,756
Exploration and evaluation expenses	15	608	368	2,430	162	39	3,622
Non-cash change in reclamation and remediation provision	—	(6)	—	—	—	—	(6)
Finance income	31	—	—	—	—	39	70
Finance expense	520	—	—	86	—	88	694
Income (loss) before income taxes	(8,507)	(3,104)	(998)	(2,724)	(85)	(2,629)	(18,047)
Income tax expense (recovery)	—	—	—	—	—	—	—
Net income (loss)	(8,507)	(3,104)	(998)	(2,724)	(85)	(2,629)	(18,047)
Additions to non-current assets	3,370	183	1,179	422	—	—	5,154
Nine months ended September 30, 2021							
External revenue	\$ —	\$ 17,177	\$ 17,680	\$ —	\$ —	\$ 108,161	\$ 143,018
Intersegment revenue	104,789	—	—	—	—	(104,789)	—
Amortization and depletion	19,810	777	2,591	177	—	193	23,548
Exploration and evaluation expenses	149	2,138	845	5,322	341	282	9,077
Non-cash change in reclamation and remediation provision	—	(6)	—	—	—	—	(6)
Finance income	103	—	—	3	—	101	207
Finance expense	1,503	—	—	272	—	316	2,091
Income (loss) before income taxes	(6,793)	(6,218)	836	(6,343)	(314)	(9,382)	(28,214)
Income tax expense	6	147	68	—	—	—	221
Net income (loss)	(6,799)	(6,365)	768	(6,343)	(314)	(9,382)	(28,435)
Additions to non-current assets	29,083	1,297	3,292	1,442	—	—	35,114
As at September 30, 2021							
Total assets	\$149,725	\$ 6,264	\$ 15,820	\$ 45,748	\$ 2,153	\$ 32,273	\$251,983
Total liabilities	\$ 77,694	\$ 16,563	\$ 2,133	\$ 44,917	\$ 526	\$ 27,777	\$169,610

GREAT PANTHER MINING LIMITED**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**
(Tabular amounts expressed in thousands of US dollars, except where otherwise noted)

As at and for the three and nine months ended September 30, 2021 and 2020 (Unaudited)

	Operations						
	Tucano	GMC	Topia	Coricancha	Exploration	Corporate	Total
Three months ended September 30, 2020							
External revenue	\$ —	\$ 7,236	\$ 6,566	\$ —	\$ —	\$ 63,217	\$ 77,019
Intersegment revenue	59,784	—	—	—	—	(59,784)	—
Amortization and depletion	9,047	394	656	52	—	64	10,213
Exploration and evaluation expenses	15	774	137	1,937	81	47	2,991
Non-cash change in reclamation and remediation provision	—	22	—	—	—	—	22
Care and maintenance costs	—	142	—	—	—	—	142
Finance income	40	—	—	—	—	14	54
Finance expense	582	—	—	93	—	344	1,019
Income (loss) before income taxes	21,803	567	1,928	(1,656)	(124)	(1,717)	20,801
Income tax expense	2,162	—	—	—	—	4	2,166
Net income (loss)	19,641	567	1,928	(1,656)	(124)	(1,721)	18,635
Additions to non-current assets	7,772	515	840	(492)	—	—	8,635
Nine months ended September 30, 2020							
External revenue	\$ —	\$ 15,853	\$ 12,624	\$ —	\$ —	\$ 163,620	\$192,097
Intersegment revenue	153,004	—	—	—	—	(153,004)	—
Amortization and depletion	26,943	1,127	2,049	154	—	193	30,466
Exploration and evaluation expenses	380	1,617	282	5,465	185	137	8,066
Non-cash change in reclamation and remediation provision	—	57	—	—	—	—	57
Care and maintenance costs	—	693	—	—	—	—	693
Finance income	90	—	—	—	—	144	234
Finance expense	1,410	—	—	94	—	992	2,496
Net income (loss) before income taxes	26,690	(714)	42	(5,406)	(1)	(31,398)	(10,787)
Income tax expense (recovery)	2,519	(26)	(14)	—	—	11	2,490
Net income (loss)	24,171	(688)	56	(5,406)	(1)	(31,409)	(13,277)
Additions to non-current assets	31,879	1,277	2,204	(548)	—	43	34,855
As at September 30, 2020							
Total assets	\$ 139,089	\$ 5,744	\$ 14,416	\$ 30,438	\$ 2,125	\$ 62,822	\$254,634
Total liabilities	\$ 76,509	\$ 14,750	\$ 2,423	\$ 29,524	\$ —	\$ 39,240	\$162,446

GREAT PANTHER MINING LIMITED

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
(Tabular amounts expressed in thousands of US dollars, except where otherwise noted)

As at and for the three and nine months ended September 30, 2021 and 2020 (Unaudited)

23. SUBSEQUENT EVENTS

(a) Samsung Advance

The Company completed the conditions precedent to funding for a \$5.0 million lead concentrate prepayment agreement with Samsung (the "Samsung Advance") entered into on September 21, 2021. On November 2 2021, the conditions precedent to funding which includes the completion of a pledge of the shares of Great Panther's Mexican subsidiary, Minera Mexicana El Rosario S.A. de C.V. ("MMR") were satisfied and funds were received. Under the Concentrate Agreement, Samsung agreed to advance a \$5 million prepayment, net of transaction costs, (the "Samsung Advance") to MMR in consideration for exclusive offtake of the lead concentrate production from the Topia Mine ("the Concentrate"), up to a maximum contract quantity of 5,400 tonnes representing approximately 21 months of production from the mine. The Samsung Advance will be repaid in twelve equal monthly instalments commencing in April 2022 and bears interest at an annual rate of 3- month USD LIBOR plus 6.5%. MMR has a full option for early repayment of the Samsung Advance, subject to a 3% penalty applied to the outstanding balance.

(b) Sale of Cangold

On November 1, 2021, the Company closed the share purchase agreement, entered into on August 4, 2021, with Newrange Gold Corp. ("Newrange") under which the Company will sell the shares of its wholly-owned subsidiary Cangold Limited ("Cangold") to Newrange for a purchase price of CAD\$1.0 million paid as a combination of cash and common shares of Newrange. Cangold holds the Company's interest in the Argosy property in Northern Ontario in the Red Lake Mining District. Prior to closing, the Company completed a reorganization to retain its 100% interest in the Company's Plomo property located in Mexico, previously owned by a subsidiary of Cangold.

This is **Exhibit "Q"** referred to in the Affidavit of **Sandra Daycock**, affirmed before me at Vancouver, British Columbia, this 28th day of September, 2022.

A handwritten signature in blue ink, consisting of several fluid, connected strokes.

A Commissioner for Oaths for
the Province of British Columbia

NO. _____
VANCOUVER REGISTRY

IN THE SUPREME COURT OF BRITISH COLUMBIA

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,
R.S.C. 1985, c. C-36, AS AMENDED

AND

IN THE MATTER OF THE *BUSINESS CORPORATIONS ACT*,
S.B.C. 2002, c. 57, AS AMENDED

AND

IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF
GREAT PANTHER MINING LIMITED

PETITIONER

CONSENT TO ACT AS MONITOR

Alvarez & Marsal Canada Inc., of Cathedral Place Building, 925 West Georgia Street, Suite 902, Vancouver, BC, V6C 3L2, a Licensed Insolvency Trustee, hereby consents to act as court-appointed monitor of Great Panther Mining Limited in these proceedings, if so appointed by this Honourable Court.

DATED at the City of Vancouver, in the Province of British Columbia, this 28th day of September, 2022.

ALVAREZ & MARSAL CANADA INC.

Per: _____

Name: Anthony J. Tillman
Title: Senior Vice President

This is **Exhibit "R"** referred to in the Affidavit of **Sandra Daycock**, affirmed before me at Vancouver, British Columbia, this 28th day of September, 2022.

A handwritten signature in blue ink, consisting of several fluid, connected strokes, positioned above a horizontal line.

A Commissioner for Oaths for
the Province of British Columbia



PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

Business Debtor - "GREAT PANTHER MINING LIMITED"

Search Date and Time: September 27, 2022 at 6:57:17 am Pacific time
Account Name: Not available.

TABLE OF CONTENTS

1 Match in 1 Registration in Report

Exact Matches: 1 (*)

Total Search Report Pages: 3

	Base Registration	Base Registration Date	Debtor Name	Page
1	401050L	March 29, 2019	* GREAT PANTHER MINING LIMITED	2



PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

Base Registration Number: 401050L

Registration Type:	PPSA SECURITY AGREEMENT
Base Registration Date and Time:	March 29, 2019 at 6:40:44 am Pacific time
Current Expiry Date and Time:	March 29, 2024 at 11:59:59 pm Pacific time Expiry date includes subsequent registered renewal(s)
Trust Indenture:	No

CURRENT REGISTRATION INFORMATION

(as of September 27, 2022 at 6:57:17 am Pacific time)

Secured Party Information

ROYAL BANK OF CANADA	Address
	36 YORK MILLS ROAD, 4TH FLOOR TORONTO ON M2P 0A4 Canada

Debtor Information

GREAT PANTHER MINING LIMITED	Address
	1330, 200 GRANVILLE ST VANCOUVER BC V6C 1S4 Canada

Vehicle Collateral

None



PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

General Collateral

Base Registration General Collateral:

MONEYS OR AMOUNTS THAT MAY FROM TIME TO TIME BE ON DEPOSIT IN THE NAME OF DEBTOR WITH OR OWED TO DEBTOR BY SECURED PARTY, ROYAL BANK MORTGAGE CORPORATION, THE ROYAL TRUST COMPANY OR ROYAL TRUST CORPORATION OF CANADA OR ANY TWO OR MORE OF THEM, AND IN THE DEBTOR'S RIGHTS IN THOSE MONEYS OR ,THOSE AMOUNTS. PROCEEDS: ALL PROCEEDS INCLUDING, WITHOUT LIMITATION, GOODS (INCLUDING INVENTORY AND EQUIPMENT (EQUIPMENT INCLUDES, WITHOUT LIMITATION, MACHINERY, TOOLS, APPARATUS, PLANT, FURNITURE, FIXTURES, AIRCRAFT AND VEHICLES OF ,WHATSOEVER NATURE AND KIND) BUT EXCLUDING CONSUMER GOODS), MONEY, CHATTEL PAPER, DOCUMENTS OF TITLE, INSTRUMENTS AND SECURITIES.

Original Registering Party

ROYAL BANK OF CANADA

Address

36 YORK MILLS ROAD, 4TH
FLOOR
TORONTO ON
M2P 0A4 Canada

This is **Exhibit "S"** referred to in the Affidavit of **Sandra Daycock**, affirmed before me at Vancouver, British Columbia, this 28th day of September, 2022.

A handwritten signature in blue ink, consisting of several fluid, connected strokes.

A Commissioner for Oaths for
the Province of British Columbia

Confirmation Letter / Lettre de confirmation

Teranet Collateral Management Solutions Corporation / Teranet Solutions de gestion des garanties

Suite 200, 4126 Norland Avenue, Burnaby, BC V5G 3S8

Authorized Section 427 Bank Act Registrar / Bureau d'enregistrement autorisé conformément à l'article 427 de la *Loi sur les banques*.

2022/09/27 06:57:32 AM PDT

Dye & Durham Corporation
4610-199 Bay Street
Toronto, Ontario
M5L 1E9

Ref / Objet: 05335484

Tel/Tél: 1-416-964-2677
Fax/Télécopie: 1-416-923-1077
e-Mail/Courriel:

Acct#: 7129

Dear Sir / Madam

Monsieur / Madame

Re: **Bank Act Security - Section 427**

Objet: **Garanties données en vertu de la *Loi sur les banques* - article 427**

We have processed your request(s) and hereby confirm the following results: (*see below).

Nous avons donné suite à votre (vos) demande(s) et nous vous faisons part des résultats suivants: (* voir ci-dessous).

REFERENCE

(2) A search has been made of the *notices of intention to give security* under the Bank Act registered in the province of *British Columbia*. As at the date and time above, our records indicate the following.

REFERENCE

(2) Nous avons examiné les *préavis* qui se rapportent aux garanties données en vertu de la *Loi sur les banques* et qui sont enregistrés pour la province de: *Colombie-Britannique*. À la date et à l'heure indiquées ci-dessus.

Your search for the company

GREAT PANTHER MINING LIMITED

returns the following results:

Votre recherche pour la société

GREAT PANTHER MINING LIMITED

révèle les résultats suivants:

Type	Registration Name Enregistrement au nom de	Address Adresse	Date	Number Numéro	Bank Banque
(2)	No matches were found / Aucune donnée correspondante au registre				



For Registrar / Pour le Régistrare

We acknowledge receipt of fees as follows:

Nous accusons réception des droits prescrits dont les montants s'établissent comme suit:

Type	Fee Tarif	GST/HST TPS/TVH	Qty Qté	TOTAL	Receipt No. Numéro du reçu
(2)	\$14.00	\$0.30	1	\$14.30	05335484 - R-R-SN-W
				\$14.30	

GST-HST / TPS-TVH #: 713 901 494 RT0001

This is **Exhibit "T"** referred to in the Affidavit of **Sandra Daycock**, affirmed before me at Vancouver, British Columbia, this 28th day of September, 2022.

A handwritten signature in blue ink, consisting of a series of fluid, connected strokes.

A Commissioner for Oaths for
the Province of British Columbia

**mccarthy
tétrault**

McCarthy Tétrault LLP.
Suite 2400, 745 Thurlow Street
Vancouver BC V6E 0C5
Canada

Facsimile

September 27, 2022

CM# 220224-564516

Total number of pages
including cover sheet.

1

Name:	Firm	Telephone:	Facsimile:
To: Search Department	Accurate Court Bailiff Services Ltd.	(604) 526-2253	(604) 526-2263
To: Search Department	Consolidated Civil Enforcement BC Inc.	(604) 434-7279	(604) 431-7202
To: Search Department	Integrated Civil Enforcement	1 (844) 395-4367	(604) 539-8367
Name:	Email:	Telephone:	Facsimile:
From: Michele Zinsli Ma	mzinslima@mccarthy.ca	(604) 643-5913	(604) 622-5651

Re: **GREAT PANTHER MINING LIMITED**
(the "Company")
Our File Number: 220224-564516

Please conduct a search for outstanding Writs of Execution under the Court Order Enforcement Act and the Creditors Assistance Act against the Company in Areas 4 (Vancouver), 5 (New Westminster) and 6 (Surrey). We would appreciate receiving your reply by fax at (604) 622-5651 as soon as possible. Please bill our firm's account to cover the cost of this search and refer to the file number referred to above. Thank you.

Yours truly,
McCarthy Tétrault LLP
MZinsliMa
Paralegal

NO RECORD
AS AT <u>11:19am</u>
SEP 27 2022
PER <u>CU</u>
ACCURATE COURT BAILIFF SERVICES LTD.

10.00
1.00 Fax
0.55 GST
\$11.55

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McCarthy Tétrault LLP.
Suite 2400, 745 Thurlow Street
Vancouver BC V6E 0C5
Canada

Facsimile

September 27, 2022

CM# 220224-564516

Total number of pages
including cover sheet.

1

Name:	Firm	Telephone:	Facsimile:
To: Search Department	Accurate Court Bailiff Services Ltd.	(604) 526-2253	(604) 526-2263
To: Search Department	Consolidated Civil Enforcement BC Inc.	(604) 434-7279	(604) 431-7202
To: Search Department	Integrated Civil Enforcement	1 (844) 395-4367	(604) 539-8367
Name:	Email:	Telephone:	Facsimile:
From: Michele Zinsli Ma	mzinslima@mccarthy.ca	(604) 643-5913	(604) 622-5651

Re: **GREAT PANTHER MINING LIMITED**
(the "Company")
Our File Number: 220224-564516

Please conduct a search for outstanding Writs of Execution under the Court Order Enforcement Act and the Creditors Assistance Act against the Company in Areas 4 (Vancouver), 5 (New Westminster) and 6 (Surrey). We would appreciate receiving your reply by fax at (604) 622-5651 as soon as possible. Please bill our firm's account to cover the cost of this search and refer to the file number referred to above. Thank you.

Yours truly,
McCarthy Tétrault LLP
MZinsliMa
Paralegal

NO RECORD

SEP 27 2022 @ 11:25

Consolidated Civil Enforcement BC Inc

PER:

87454

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McCarthy Tétrault LLP.
Suite 2400, 745 Thurlow Street
Vancouver BC V6E 0C5
Canada

Facsimile

September 27, 2022

CM# 220224-564516

Total number of pages
including cover sheet.

1


Name:	Firm	Telephone:	Facsimile:
To: Search Department	Accurate Court Bailiff Services Ltd.	(604) 526-2253	(604) 526-2263
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Name:	Email:	Telephone:	Facsimile:
From: Michele Zinsli Ma	mzinslima@mccarthy.ca	(604) 643-5913	(604) 622-5651

Re: **GREAT PANTHER MINING LIMITED**
(the "Company")
Our File Number: 220224-564516

INTEGRATED CIVIL ENFORCEMENT
9669 186 ST SURREY V4N 3N8

NO RECORD

SIGNED:  DATE: 2022.09.27 at 11.47am

Please conduct a search for outstanding Writs of Execution under the Court Order Enforcement Act and the Creditors Assistance Act against the Company in Areas 4 (Vancouver), 5 (New Westminster) and 6 (Surrey). We would appreciate receiving your reply by fax at (604) 622-5651 as soon as possible. Please bill our firm's account to cover the cost of this search and refer to the file number referred to above. Thank you.

Yours truly,
McCarthy Tétrault LLP

MZinsliMa

Paralegal

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This is **Exhibit "U"** referred to in the Affidavit of **Sandra Daycock**, affirmed before me at Vancouver, British Columbia, this 28th day of September, 2022.

A handwritten signature in blue ink, consisting of several fluid, connected strokes, positioned above a horizontal line.

A Commissioner for Oaths for
the Province of British Columbia



You are logged on as Michele Ma

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Search Appeal By Party Name - Individual Results

There are no results that match your search criteria.
Please refine your search or start a new search.

[Refine Search](#)
[New Search](#)

Search Criteria:

Organization Name: Great Panther



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Search Civil By Party Name - Organization Results

[Refine Search](#)

[New Search](#)

Search Criteria:

Organization Name: Great Panther

Results: 1 - 3 of 3

Last Name, First Name Style of Cause	Classification of File	Court Location	File Number	Date File Opened	Date Last Updated	View
GREAT PANTHER INC	Supreme	Vancouver	C984902	28Sep1998	13Oct1999	View
GREAT PANTHER INC v KAVANAGH, Richard	Supreme Civil (General)	Law Courts				
GREAT PANTHER MINING LIMITED	Supreme Bankruptcy	Vancouver Law Courts	220363	15Sep2022	20Sep2022	View
GREAT PANTHER RESOURCES LIMITED	Provincial Small Claims	Robson Square Provincial Court	0716689	17May2007	01Jun2007	View
ANGUS ONE PROFESSIONAL REC LTD v GREAT PANTHER RESOURCES LIMITED						





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Search Traffic/Criminal By Participant Name - Individual Results

There are no results that match your search criteria.
Please refine your search or start a new search.

[Refine Search](#)
[New Search](#)

Search Criteria

Organization Name: Great Panther

Level: Provincial





Court Services Online

File Summary Report

Requested by: CS72556 - Michele Ma
File Number: ROB-P-C-0716689
Your Cross Reference Number:

Date / Time: 27SEP2022 07:45 AM

General File Details

Date File Opened: 17MAY2007
Style of Cause: ANGUS ONE PROFESSIONAL REC LTD v GREAT PANTHER RESOURCES LIMITED
Location: Robson Square Provincial Court
Level of Court: Provincial
Class of Court: Small Claims
Initiating Documents: Notice of Claim

Parties on File

Seq. #	Date Entered	Party Name	Party Role	Counsel Name	Also Known as Names / Other Legal Representatives
1	17MAY2007	ANGUS ONE PROFESSIC	Claimant		
2	17MAY2007	GREAT PANTHER RESOI	Defendant		

Documents Filed

Seq. #	Date Entered	Document Description	Initiating Document?	Amended Document?	Claim Amount	Filing Parties
2	01JUN2007	Acknowledgement of Payment	No	No		(Claimant) ANGUS ONE PROFESSIONAL REC LTD
1	17MAY2007	Notice of Claim	Yes	No	\$1,260.82	(Claimant) ANGUS ONE PROFESSIONAL REC LTD

Hearing and Results

Transfers

AVAILABLE INFORMATION

Court Services Online (CSO) provides access to the following court record information:

Civil court information - Supreme and Provincial Court

Court record information on civil Provincial and Supreme Court activity throughout the province with the exception of family proceedings in Provincial Court.

Court information - Court of Appeal

Court record information on civil and criminal Court of Appeal activity for appeals filed after 1 January 2004.

Disclaimer

The court record information available through CSO is not the official court record. For confirmation of information contact the specific court registry.

The data is provided "as is" without warranty of any kind, either express or implied. The Province does not warrant the accuracy or the completeness of the data, nor that CSO will function without error, failure or interruption. Users of CSO acknowledge that some data may suffer from inaccuracies, errors or omissions. Users of CSO rely on the data at their own risk.

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Publication or disclosure of information contrary to a court-ordered ban may result in legal action, including prosecution.

LIMITATION OF LIABILITIES

No action may be brought by any person against the Province for any loss or damage of any kind caused by any reason or purpose including, without limitation, reliance on the completeness of the data or the functioning of CSO.

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Any other use of CSO or court record information available through CSO is expressly prohibited. Persons found misusing this privilege will lose access to CSO and may be subject to legal action, including prosecution.

File Summary Report



Court Services Online

File Summary Report

Requested by: CS72556 - Michele Ma
File Number: VLC-S-B-220363
Your Cross Reference Number:

Date / Time: 27SEP2022 07:10 AM

General File Details

Date File Opened: 15SEP2022
Style of Cause:
Location: Vancouver Law Courts
Level of Court: Supreme
Class of Court: Bankruptcy
Initiating Documents: Requisition - Opens File

Parties on File

Seq. #	Date Entered	Party Name	Party Role	Counsel Name	Also Known as Names / Other Legal Representatives
1	15SEP2022	GREAT PANTHER MINING	Debtor		

Documents Filed

Seq. #	Date Entered	Document Description	Initiating Document?	Amended Document?	Claim Amount	Filing Parties
3	20SEP2022	Report on Cash-Flow Statement by the Person making the proposal	No	No		(Debtor) GREAT PANTHER MINING LIMITED
4	20SEP2022	Trustee's Report on Cash Flow Statement	No	No		(Debtor) GREAT PANTHER MINING LIMITED
1	15SEP2022	Requisition - Opens File	Yes	No		(Debtor) GREAT PANTHER MINING LIMITED
2	15SEP2022	Certificate of Filing of a Notice of Intention to make a Proposal	No	No		(Debtor) GREAT PANTHER MINING LIMITED

Hearing and Results

Transfers

AVAILABLE INFORMATION

Court Services Online (CSO) provides access to the following court record information:

Civil court information - Supreme and Provincial Court

Court record information on civil Provincial and Supreme Court activity throughout the province with the exception of family proceedings in Provincial Court.

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File Summary Report