

Luca Mining Corp.

(LUCA-V)
SECTOR: Mining

STOCK PRICE \$1.36
RATING **BUY**
TARGET PRICE \$3.00

INITIATING COVERAGE

Profitable Two Mine Producer, Gold Driven FCF Growth Ahead

INVESTMENT BRIEF: We are initiating coverage of Luca Mining Corp. ("Luca") with a Buy rating and a \$3.00 target price. Luca is a producer operating two profitable polymetallic mines in Mexico – the Campo Morado ("Campo") VMS mine in Guerrero and the recently commissioned epithermal Tahuehueto mine in Durango. Luca has been a turnaround story under the leadership of CEO Dan Barnholden who, since taking the reins in July 2024, has overseen major operational improvements, executed on production growth, and delevered the balance sheet driving a +154% 12 mo. share price performance. With a FCF positive operating platform now in place at ~80k oz AuEq/year we believe there are multiple levers available to realize higher FCF + resource growth: (1) the development of the gold rich Reforma deposit at Campo Morado (2) further process infrastructure investments to drive higher revenue per tonne (3) the unlocking of district exploration potential at both assets (4) strategic M&A to leverage the team's Mexico focused bailiwick. At a current P/NAV of 0.46x, Luca trades at a discount to junior producer peers. Delivery of the growth plan and daylighting of the exploration opportunities should drive further upside.

KEY HIGHLIGHTS

- ◆ **Mexico Focused Team, Strong Execution Track Record–** Dan Barnholden, CEO since July 2024, has 20+ years of senior investment banking experience in Canada. The operational team led by COO Ramon Mendoza has significant Mexican experience and the board has deep in-country relationships. This strengthens our outlook.
- ◆ **Reforma to Drive a Step Change in FCF:** The flagship Campo Morado project is a polymetallic VMS mine. Since 2023, Luca has increased production by ~100% and increased revenue per tonne by 30% through the ongoing optimization. We forecast average annual production of 81k oz AuEq at an AISC of \$2,186/oz AuEq over a 24 year mine life. Our estimates show that the development of the gold rich, bulk mineable Reforma UG deposit (8MT at 5.75 g/t AuEq) and further processing upgrades will drive higher gold production and an inflection in free cash flow to US\$77M by 2029E.
- ◆ **District Scale Exploration Opportunities:** A 13,000m exploration drill program currently underway is focused on higher grade bulk mineable gold zones (Reforma/El Rey) has delivered compelling results that we expect will high grade precious metals zones to the mineral inventory. At Tahuehueto, an ongoing 10,000m program should add resource zones in untested portions along a fertile >11km geologic trend within reach of existing UG infrastructure.
- ◆ **Tahuehueto Ramping Toward Full Production Levels:** The Tahuehueto project is a high-grade intermediate sulphidation epithermal mine that declared commercial production in March 2025, expected to hit a full production rate of 31k oz AuEq/year by H1 2026. We believe that exploration success in the district has transformational potential.
- ◆ **Valuation and Target Price:** Our model forecasts Companywide AuEq pdn. of 76k oz increasing to 130k oz by 2029E. Over the same time horizon we forecast a 33% decline in costs from an AISC of US\$2,969 to US\$1,978. Our valuation is based on sum of the parts NAV based valuation for Campo Morado and for Tahuehueto that generates a total project NAV of US\$790M (US\$2.20 or C\$2.92 NAVPS). We derive our C\$3.00/share target price using a 1.0x multiple applied to our corporate NAVPS of C\$2.95/share.

We recommend investors accumulate shares at current levels.

- ◆ **Buy Rating and \$3.00 Target Price.** With a Mexico focus on two producing polymetallic projects and a track record of operational execution, Luca provides exposure to the unlocking of value of two compelling mining districts and increasing FCF over the coming 2-3 years.

PROJECTED RETURN

121%

RISK FACTOR

Very High

SCENARIO ANALYSIS

Downside Scenario	Current Price	Price Target
\$0.25	\$1.36	\$3.00
↓82%		↑121%

KEY STATISTICS AND METRICS

52-Week High/Low	\$1.92/\$0.52
YTD Performance	151.9%
Dividend Yield	N/A
Shares O/S	270M
Market Capitalization	\$367M
Cash (est. current)	\$24M
Debt	\$8M
Enterprise Value	\$344M
Daily Volume (3 mos.)	601,013
Currency	C\$ unless noted

HAYWOOD ESTIMATES (USD)

	2024A	2025E	2026E	2027E
Prod. AuEq (koz)	57	76	79	81
AISC (US\$/oz AuEq)	1827	2969	2827	2821
Revenue (\$M)	81	160	201	192
EBITDA (\$M)	(3)	6	34	24
Net Income (\$M)	(10)	(12)	15	8
CAPEX (\$M)	(5)	(23)	(48)	(81)

VALUATION

Our 12-month target price of \$3.00/share is based on a fully diluted, after tax basis using a 1.0x multiple to our corporate net asset value (NAV5%) of \$2.95/share.

Luca Mining trades at a P/NAV of 0.46x, compared to peers at 0.69x NAV.

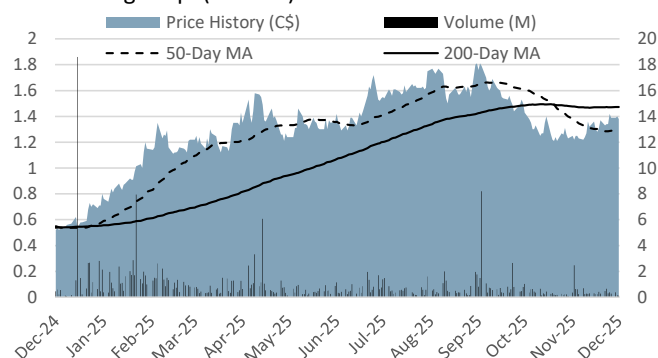
CATALYSTS

- Ongoing - Exploration from 13,000m program at Campo Morado
- Ongoing - Exploration from 10,000m program at Tahuehueto
- H1 2026 - Full Run Rate Production at Tahuehueto
- Mid 2026 - Retirement of Remaining Debt
- Mid 2026 - PFS on Mill Optimization and Reforma High Grade Gold Deposit at Campo Morado

INVESTMENT CASE

- ◆ **Mexico Focused Team, Strong Management Execution Track Record:** Barnholden and the Mexican operations team have quickly built a track record of financial and operational execution. We highlight a 107% share price performance, driven by ~100% production growth and FCF growth during Barnholden's tenure to date. Luca's strong Mexican expertise and in-country relationships are a key pillar.
- ◆ **Gold Driven FCF Growth Ahead:** Campo Morado is a profitable polymetallic mine at a current production rate of 49k oz AuEq in 2025E. We forecast a growth capex of US\$119M, which includes the cost of precious metals focused upgrades to the processing plant and the development of the high grade, bulk mineable Reforma deposit. Once complete, this project drives a 103% production growth and a scaling of FCF in our model by 2029E.
- ◆ **District Scale Exploration Opportunity at Both Assets:** Exploration and resource expansion potential at Campo Morado is compelling. Recent drilling has highlighted extensions to the gold rich Reforma and El Rey targets and these results are underpinned by 38 untested VMS targets on the 121km² property. Exploration at Tahuehueto is underway along an 11km long prospective epithermal vein system, with targets that are located near existing infrastructure. We expect the recently announced 80,000m, three-year exploration program to unlock growth in mineable inventory at both operations.
- ◆ **Discounted Valuation:** Achieving Haywood's forecasts will put Luca at an average annual production rate of 130k oz AuEq/year by 2029E, a scale comparable to more highly valued junior producers. Luca trades at 0.46x P/NAV, a significant discount to junior producer peers at an average of 0.69x P/NAV. We believe that execution on this growth trajectory and the unlocking of exploration potential will see the stock rerated.

Luca Mining Corp. (LUCA-V)



Source: Capital IQ, and Haywood Securities

TARGET PRICE

Our \$3.00 target price is based on a 1.0x NAV multiple to our corporate NAV of \$2.95 per share.

DOWNSIDE CASE

Our downside case of \$0.25/share uses a discount to our metal price assumptions as well as an increase to our CAPEX and OPEX assumptions. Factoring in a 30% reduction to our gold, silver, copper, zinc and lead price estimates, as well as a 10% increase to both our CAPEX and OPEX assumptions, our downside NAV declines to \$0.24 per share and would generate a downside conceptual target price of \$0.25/share.

Our downside scenario price is a theoretical case based on notional valuation metrics and market assumptions. The downside price is solely intended for demonstrative purposes and is not to be regarded as a reflection of all market possibilities. It is not a guarantee that this company's share price will not drop below this price level and hence should not be taken as such.

KEY RISKS

- **Metals Prices:** The future revenue and cash generating potential of the Campo Morado mine and the Tahuehueto mine are highly dependent on commodity prices including Gold, Zinc, Copper, Silver and Lead. A significant decline in metals prices would negatively impact Luca and the value of the Company's shares.
- **Operating Risk:** As a two asset metals producer Luca faces the risks including but not limited to production shortfalls, mill stoppages, equipment failures, underground stope failures and other risks associated with mining operations.
- **Jurisdictional Risk:** The Company is operating two mines in Mexico and is exposed to political, social and security risks in the areas in which it operates. These risks are mitigated by the strong Mexico government and local relationships of the management team and board.


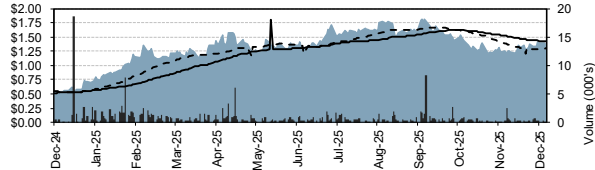
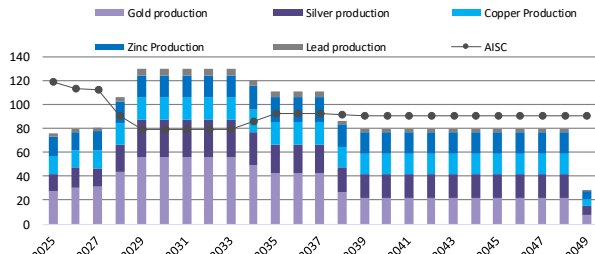
Company Website

lucamining.com

Key Management

Dan Barnholden, CEO
 Ramon Mendoza, COO
 Lisa Dea, CFO
 Ramon Perez, President
 Paul Gray, VP Exploration
 Adam Melnyk, VP Corporate Development



<div></div> <div>Luca Mining Corp. (TSXV:LUCA, \$1.36) Rating: BUY Risk: Very High Valuation: 1.00x NAV</div>					<div>Target Price (C\$) Return (%) 52 Week High/Low (C\$) Daily Volume (3-month avg)</div> <div>\$3.00 121% \$1.92/\$0.52 601,013</div>					<div>Mkt. Cap, C\$M CEO Company Website lucamining.com</div> <div>\$367 Dan Barnholden </div>				
CAPITAL STRUCTURE														
		Strike Price	Maturity	Number	Shares									
		C\$/share	Date		ITM (M)									
Shares Outstanding					269.7									
Warrants Outstanding		\$0.59	Mar-26	5.3	5.3									
Options Outstanding		\$0.89	Aug-29	15.6	11.4									
RSUs & DSUs				1.4	1.4									
Fully Financed FD Shares (incl. ITM Options plus Warrants)					359.3									
OWNERSHIP														
		Shares O/S (mln)			% O/S									
Calu Opportunity Fund, LP					6.2	2.3%								
Van Eck Associates Corporation					3.3	1.2%								
Mirae Asset Global Investments Co., Ltd.					2.5	0.9%								
Barnholden, Dan					1.8	0.7%								
U.S. Global Investors, Inc.					1.8	0.7%								
PRODUCTION ESTIMATES														
		2025E	2026E	2027E	2028E	2029E								
FX Rate		0.72	0.73	0.74	0.75	0.75								
Gold Price (us\$/oz)		\$3,400	\$4,000	\$3,750	\$3,500	\$3,500								
Silver Price (us\$/oz)		\$38.26	\$48.00	\$40.00	\$38.00	\$38.00								
Copper Price (us\$/lb)		\$4.75	\$4.75	\$4.75	\$4.75	\$4.75								
Lead Price (us\$/lb)		\$0.90	\$1.00	\$1.00	\$1.00	\$1.00								
Zinc Price (us\$/lb)		\$1.25	\$1.25	\$1.25	\$1.25	\$1.25								
CAMPO MORADO (100.0%), Guerrero State														
Resource Mined	kt	724	781	803	853	903								
Process Rate	tpd	1,993	2,162	2,224	2,362	2,500								
Total Zinc Eq. Production	klb ZnEq	132,330	156,040	151,642	212,173	276,385								
Total Gold Eq Production	koz AuEq	49	49	51	76	99								
Cash Cost	US\$/lb ZnEq	0.94	0.91	0.96	0.72	0.57								
AISC	US\$/lb ZnEq	1.14	1.00	1.05	0.83	0.70								
Total Zinc Eq. Sales	klb ZnEq	92,512	111,396	108,358	156,759	207,654								
Total Gold Eq Sales	koz AuEq	35	35	36	56	74								
TAHUEHUETO (100.0%), Durango State														
Resource Mined	kt	307	361	361	361	361								
Process Rate	tpd	862	1,000	1,000	1,000	1,000								
Total Gold Eq Production	koz AuEq	27	31	30	31	31								
Cash Operating Cost	US\$/oz AuEq	2,128	2,018	2,036	2,015	2,015								
AISC	US\$/oz AuEq	2,629	2,446	2,459	2,427	2,427								
Total Gold Eq Sales	koz AuEq	22	26	25	26	26								
Financial Summary (USD\$M)														
Year-end Dec-31		2024A	2025E	2026E	2027E	2028E	2029E							
Shares Outstanding, mln		200.3	268.9	277.4	327.0	340.4	340.4							
FD Shares, mln		270.5	357.1	357.1	357.1	357.1	357.1							
Basic EPS		(0.06)	(0.05)	0.06	0.03	0.14	0.25							
Op. CFPS (before WC)		0.08	0.09	0.10	0.07	0.17	0.26							
Income Statement (USD\$M)														
Revenue		80.6	159.6	201.4	191.6	248.7	317.6							
General & Admin		7.5	14.0	16.5	15.7	20.3	26.0							
Net Income		(10.4)	(11.6)	15.0	7.9	46.9	84.3							
EBITDA		(2.6)	5.7	33.6	24.0	79.8	132.9							
Balance Sheet (USD\$M)														
Cash & Equivalents		10.2	15.8	3.0	3.0	37.8	103.3							
Total Debt		50.9	2.9	0.0	0.0	0.0	0.0							
Cash Flow (USD\$M)														
Operating CF (before WC)		14.5	21.5	28.1	21.2	57.4	89.6							
Financing CF		7.6	4.4	7.1	60.0	17.1	0.0							
Investing CF		(5.5)	(22.7)	(48.0)	(81.2)	(39.7)	(24.2)							
Change in Cash		8.2	5.6	(12.8)	0.0	34.8	65.4							
FCF		1.2	1.0	(19.9)	(60.0)	17.8	65.4							
VALUATION														
		Discount rate	US\$M	US\$/share	C\$M	C\$/share								
NAV VALUATION														
CAMPO MORADO (100.0%), Guerrero State		5.0%	\$613	\$1.70	\$815	\$2.27								
TAHUEHUETO (100.0%), Durango State		5.0%	\$177	\$0.49	\$236	\$0.66								
Sub-Total Project NAV			\$790	\$2.20	\$1,051	\$2.92								
Value of ITM Instruments			\$9.6	\$0.03	\$12.8	\$0.04								
Long-term Debt			\$0.0	\$0.00	\$0.0	\$0.00								
Sub-total			\$7.3	\$0.02	\$9.7	\$0.03								
Total Corporate NAV			\$797	\$2.22	\$1,060	\$2.95								
Current Price/ Corporate NAV							0.46x							
Target Price/ Corporate NAV							1.02x							
Multiple to NAV							1.00x							
Target Price		CAD\$/share					\$3.00							
HISTORICAL PERFORMANCE														
														
Consolidated Production														
Year-end Dec-31		2024A	2025E	2026E	2027E	2028E	2029E							
Gold Production, koz		19	27	31	31	43	56							
Silver Production, koz		783	1,284	1,395	1,426	2,163	2,900							
Copper Production, klb		7,346	10,531	11,646	11,943	12,999	14,055							
Zinc Production, klb		26,335	46,120	49,695	50,898	50,529	50,160							
Lead Production, klb		5,815	9,219	10,386	10,538	14,527	18,516							
Total Gold Eq Production, koz		57	76	79	81	107	130							
Gold Sales, koz		17	22	25	26	35	45							
Silver Sales, koz		593	977	1,063	1,084	1,718	2,351							
Copper Sales, klb		5,298	7,394	7,744	7,966	9,077	10,187							
Zinc Sales, klb		18,195	34,445	38,732	39,694	39,399	39,103							
Lead Sales, klb		2,072	3,631	4,221	4,221	4,221	4,221							
Total Gold Eq Sales, koz		44	57	60	62	82	100							
Cash Operating Cost, US\$/oz AuEq		1,503	2,340	2,473	2,475	1,935	1,640							
All in Sustaining Cash Cost, US\$/oz AuEq		1,827	2,969	2,827	2,821	2,271	1,978							
														

Source: Bloomberg, Capital IQ, Company Reports, and Haywood Securities



Investment Summary

Campo Morado Mine (Guerrero, Mexico) – A Prolific VMS District

Location, Infrastructure and Access

The 100% owned Campo Morado mine is an UG polymetallic mine that sits on ~121km² of mining concessions in the northeastern part of Guerrero State, Mexico, 160km SW of Mexico City.

The complex consists of the UG mine accessed by portal, the 2,500 tpd processing plant, backfill plant, and a newly constructed tailings facility. There are over 700 exploration diamond drill holes which have outlined six deposits containing a total mineral inventory of 17.6 Mt grading 3.96% Zn, 0.79% Cu, 0.92% Pb, 124g/t Ag and 1.67 g/t Au. The unmined, gold rich Reforma deposit comprises a higher grade portion of this resource with a total inventory of 3.922Mt grading 2.38 g/t Au, 150 g/t Ag, 0.94% Cu, 1.01%Pb and 2.73% Zn (5.74 g/t AuEq).

The project is 360km by road from Mexico City. Access to the site is by Highway 95 from the city of Iguala. From there, all-weather, two lane, asphalt Highway 51 west connects to Arcelia. The Campo Morado process plant is 30 km southeast of Arcelia on a mostly unpaved municipal road. Campo connects to the regional power grid by a ~23km overhead transmission line from Arcelia, with a total of five megawatts available. Terrain is steep, with elevations ranging from 600m to 1,700m.

Map of Campo Morado and Tahuehueto



Source: Company Reports

History and Regional Context

Campo was commissioned in 2009 by Farallon Resources. Nyrstar acquired Farallon in 2010 for C\$420M and operated Campo until January 2015, when the mine was placed on care and maintenance due to low metal prices. Between 2009 and 2015, Campo produced a total of 7.1 Mt containing 662Mlbs Zn, 13.3Moz Ag, 162k oz Au, 32kt Cu and 10kt Pb (20.3% Zn). In April 2017, Luca (Telson Mining Corp. at the time) acquired Campo Morado for a total purchase price of US\$20M, in addition to certain contingent payments, and announced the restart of full scale mining and mill processing on a pre-production basis in October 2017 at a starting rate of 1,400 tonnes per day. In May 2018, the Company announced commercial production with the aim of increasing throughput at the mill to its 2,500 tonne per day capacity. **Both Farallon and Nyrstar were focused on zinc production and associated exploration and as a result the process plant was configured to optimize zinc recoveries – exploration did not focus on gold mineralization – we believe this history provides an opportunity to unlock value from gold exploration.**

Campo sits 40km to the SW of Peñoles' Capela project, a polymetallic VMS project that commenced operations in October 2000, and 85km S of the Tizapa mine, also a polymetallic VMS mine that is 100% owned by Peñoles. Campo sits ~50km NW of the Guerrero Gold district, which includes several mines and development projects (Los Filos – Equinox Gold Corp. [EQX-T, Buy, \$27.50 Target], El Limon-Guajes – Torex Gold [TXG-T, Not Rated], Ana Paula – Heliostar [HSTR-V, Not Rated]) that have delineated and produced 31Moz.



Geology and Resources

Campo hosts a series of polymetallic massive sulphide deposits containing zinc, copper, silver, gold and lead mineralization. Five deposits have been extensively drilled and partially mined: G9, El Largo, Reforma, Naranjo and El Rey. The zinc rich G9 deposit has been the most prolific, producing a total of 3.9Mt grading 7.17% Zn, 1.1% Cu, 1.01% PB, 2.01 g/t Au and 149 g/t Ag during the first seven years of operations. A total of 3,069 core holes, with a total drilled length of 580,886 metres, have been completed for exploration and mine development purposes since 1995. Mineralized zones at Campo are variable but generally wide and thick and support productive and efficient long hole mining.

Campo Morado Resources

Measured & Indicated Resources								Inferred Resources							
Cut-off	Tonnes	Gold	Silver	Copper	Lead	Zinc	ZnEq	Cut-off	Tonnes	Gold	Silver	Copper	Lead	Zinc	ZnEq
% ZnEq	000s	g/t	g/t	%	%	%	%	% ZnEq	000s	g/t	g/t	%	%	%	%
3.0	33,850	1.29	88	0.70	0.64	2.71	6.36	3.0	3,316	0.98	76	0.52	0.58	2.10	6.36
4.0	25,730	1.46	102	0.74	0.76	3.22	7.27	4.0	2,152	1.11	90	0.55	0.71	2.54	5.85
5.5	16,620	1.70	123	0.80	0.93	4.01	8.68	5.5	988	1.32	116	0.64	0.92	3.20	7.27
7.0	10,400	1.91	146	0.87	1.11	4.85	10.16	7.0	416	1.52	148	0.76	1.10	3.78	8.75

Source: Company Reports

Reforma Development and Processing Investments Offer Growth Path to 130k Oz AuEq/Year

Under Mr. Barnholden and his operating team Luca has successfully executed on an operational optimization, a process that Luca had started in 2022 – this has driven higher throughput levels, higher concentrate grades/recoveries resulting in improved operating margins at Campo. Our April 2025 site tour highlighted: (1) the four phase optimization program at the plant (2 phases complete), (2) the exploration opportunities in the district, and (3) the gold rich Reforma deposit.

The tour was hosted by CEO Dan Barnholden and his management/operational teams and showed a project that had been underfunded before the Company had been recapitalized by Mr. Barnholden. We see the potential for outsized value creation with investments in existing infrastructure and resources. We believe the development of Reforma along with gold + silver focused optimizations to the process plant will be transformational for the business.

Haywood Estimates for Campo Morado Project 2025-2035

Campo Morado	2025E	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E	2034E	2035E
Tonnes Mined (kt)	724	781	803	853	903	903	903	903	903	903	903
Throughput, tpd	1,993	2,162	2,224	2,362	2,500	2,500	2,500	2,500	2,500	2,500	2,500
Tonnes Milled, kt	719	781	803	853	903	903	903	903	903	903	903
Gold Production, koz	8.9	9.5	9.7	22.2	34.7	34.7	34.7	34.7	34.7	28.3	21.9
Silver Production, koz	989	1,054	1,084	1,822	2,559	2,559	2,559	2,559	2,559	2,194	1,828
Copper Production, klb	9,318	10,325	10,622	11,678	12,734	12,734	12,734	12,734	12,734	12,734	12,734
Zinc Production, klb	39,649	41,816	43,019	42,650	42,281	42,281	42,281	42,281	42,281	46,509	50,737
Lead Production, klb	4,940	5,300	5,453	9,441	13,430	13,430	13,430	13,430	13,430	11,938	10,446
Total Zinc Eq. Production, klb	132,330	156,040	151,642	212,173	276,385	276,385	276,385	276,385	276,385	250,350	224,314
Total Gold Eq Production, koz	48.7	48.8	50.5	75.8	98.7	98.7	98.7	98.7	98.7	89.4	80.1
Capex, US\$M	\$15.2	\$40.0	\$73.2	\$31.7	\$16.1	\$16.1	\$16.1	\$16.1	\$16.1	\$16.1	\$16.1
Cash Costs, \$/lb ZnEq	\$0.94	\$0.91	\$0.96	\$0.72	\$0.57	\$0.57	\$0.57	\$0.57	\$0.57	\$0.64	\$0.72
AISC, \$/lb ZnEq	\$1.14	\$1.00	\$1.05	\$0.83	\$0.70	\$0.70	\$0.70	\$0.70	\$0.70	\$0.77	\$0.85
Cash Operating Cost, US\$/oz AuEq	\$2,470	\$2,809	\$2,785	\$1,899	\$1,511	\$1,511	\$1,511	\$1,511	\$1,511	\$1,692	\$1,913
All in Sustaining Cash Cost, US\$/oz AuEq	\$3,017	\$3,108	\$3,075	\$2,199	\$1,823	\$1,823	\$1,823	\$1,823	\$1,823	\$2,024	\$2,270
Gold Sales, koz	5.7	6.1	6.2	16.1	26.0	26.0	26.0	26.0	26.0	21.2	16.4
Silver Sales, koz	715	759	781	1,414	2,047	2,047	2,047	2,047	2,047	1,755	1,462
Copper Sales, klb	7,394	7,744	7,966	9,077	10,187	10,187	10,187	10,187	10,187	10,187	10,187
Zinc Sales, klb	30,471	33,453	34,415	34,120	33,824	33,824	33,824	33,824	33,824	37,207	40,589
Lead Sales, klb	0	0	0	0	0	0	0	0	0	0	0
Total Zinc Eq. Sales, klb	92,512	111,396	108,358	156,759	207,654	207,654	207,654	207,654	207,654	188,679	169,703
Total Gold Eq Sales, koz	35	35	36	56	74	74	74	74	74	67	61
After Tax Free Cash Flow, US\$M	\$15.6	-\$4.8	-\$43.9	\$30.8	\$77.4	\$77.4	\$77.4	\$77.4	\$77.4	\$61.1	\$44.8

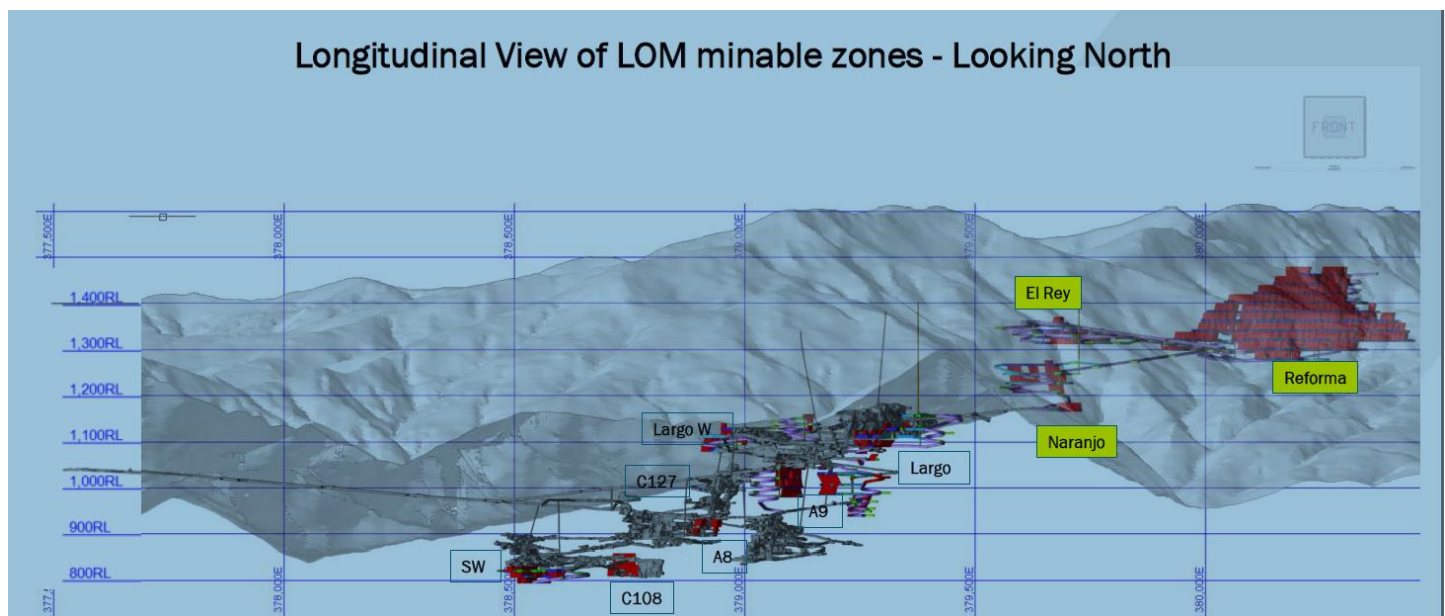
Source: Haywood Securities



Key observations from our site visit include:

- ◆ **Prolific VMS District: Target Rich and Underexplored for Gold** – Campo represents a large VMS district that has been extensively explored by previous operators (Farallon then Nyrstar) since the being optioned from the Mexican government in 1995. There is considerable drill data from ~600,000m of drilling, surface and structural mapping and geochemistry along with gravity, airborne, EM and IP surveys. The bulk of historic drilling was focused on zinc exploration creating a significant opportunity from gold focused exploration. There is further upside from extensions to Reforma and El Rey but there are many untested Au rich targets that may yield additional high-grade gold resources. **Impact: 80,000m exploration program should add mine life and unlock additional gold targets in the camp.**
- ◆ **Strong Mexican Team and In Country Relationships** – We met Luca's operating team on the ground in Mexico including COO and Chief Technical Officer Ramon Mendoza. The Luca team, board and key shareholders have a depth of operating experience operating in Mexico, strong community relationships and deep government connections. In our view, this is a key pillar for the Company and its strategic positioning and as management may evaluate in -country M&A opportunities. **Impact: Mitigates social and security risks and may yield a unique M&A opportunity set within Mexico.**

Mineable Zones and UG Infrastructure at Campo Morado



Source: Company reports

- ◆ **Established Mining and Processing Infrastructure** – Campo is well supported by infrastructure with a 2,500 tpd processing facility will require some ongoing catch up from a sustaining capital standpoint. Access to mining fronts is well supported by existing UG development with multiple mining fronts/horizons that should provide good mining flexibility. Mine production is 100% long hole which drives our modeled unit mining costs of \$60/tonne. **Impact: Lays Foundation for Growth from further investments and new discoveries.**
- ◆ **Rich Exploration Database** – There are large amounts of technical data from the history of exploration. The ore bodies are well defined, drilled and developed. In addition to the large drill database there has been significant surface and structural mapping, gravity surveys, airborne mag, EM and IP surveys – all of this data should support additional discoveries in the district. We also noted that the bulk of the historic drilling was focused on delineating the prolific G9 zinc deposit. **Impact: Potential to add new high-grade deposits to the mineable resource profile.**
- ◆ **Major Operating Improvements to Date:** Management has executed to date on an operational turnaround at Campo which includes the major processing plant realignment discussed below. These have included repairs to critical equipment, improved UG process controls (ventilation) and capital development to support the development of new mining fronts. In addition, the deployment of a new mining contractor has seen throughput increased from 1,200 tpd in late 2023 to over 2,000 tpd currently, and a significant catch up on capital development.



- ◆ **Improving Metal Recoveries, Au + Ag + Pb improvements Ahead** - When the mine was built at a time of much lower Au + Ag prices and an operational focus on zinc, processing circuits were optimized for zinc production. In Q4 2022, Luca hired Ausenco to review the plant to improve recoveries and concentrate grades. Ausenco created a step-by-step plan (Stage 1 and 2 now complete) that has made adjustments to ore blending + grind size. We expect that Luca will precious metals recoveries and likely further improvements in base metals with a PFS to be delivered in mid-2026. Copper recovery to the bulk concentrate has increased from 43% in Q1 2023 to 65% in Q3 2025. Bulk concentrate grades have increased from a low of 10.4% in Q1 2023 to a range of 12.8-15.1% in 2025 YTD. Stage 3 of the CMIP involves a multifaceted further optimization that will allow the separation of the bulk concentrate into separate copper and lead concentrates which we expect will improve all metal recoveries, concentrate grades, payabilities and ultimate operating margins. Test work for stage 4 is ongoing however our model does include estimates of higher recoveries and payabilities for all metals starting in 2028.

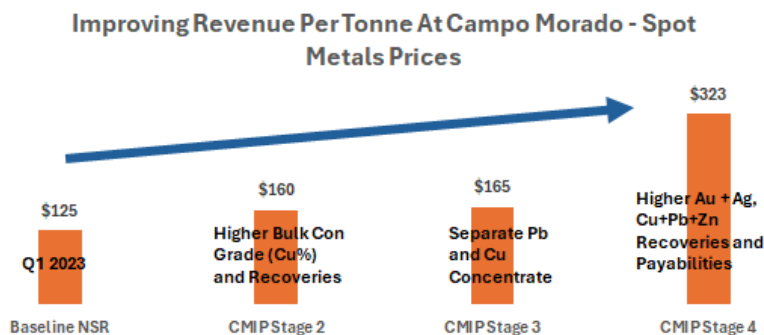
Optimizations at Campo Driving Higher Production at Revenue

Operating Upgrades	Impact	Timing
New Mining Contractor	Increase Mining Throughput from 1,300 to 2,000tpd	Completed 2024/2025
Repair/Refurb Equipment	Support Reliable Plant Operation	Completed Q4/24
Flowsheet/Grind Size Changes to Improve Cu Recoveries	~40% Increase in Bulk Concentrate (Cu%) Grades/Cu Recovery to 70%	Completed 2023/2024
Stage 3 CMIP – Cu/Pb Separation	Boost By Product Revenue, Reduce Net AISC	Industrial Trial 2026
Stage 4 CMIP – Pyrite Circuit and Ultra Fine Re grind + Cyanidation	Increase Au + Ag Recoveries, Base Metals and Payabilities	Possible H1/2027
Tailings Reprocessing	Process 3.6Mt or ~80k oz Au	Still Being Evaluated
Paste Plant	Extraction of UG Pillars + Reduced Tailings Usage	Still Being Evaluated

Source: Company Reports

- ◆ Management has now undertaken a study for a Stage 4 CMIP that is investigating the potential to increase the metallurgical recovery of base and precious metals to the concentrates. This would be driven by a process of ultra-fine regrinding and cyanidation leaching to increase recoveries of Au and Ag + ultimately payabilities. With management now moving toward development of the gold rich Reforma deposit these upgrades are likely to be very impactful for the Company. Haywood estimates for Campo Morado are for 81k AuEq oz/year (227.9M lbs/year Zn/Eq) in annual production at an AISC of \$2,186/oz (\$0.81 lb/Zn Eq). **Impact: Higher Gold and Silver Recoveries will drive higher production, payability and revenue per tonne.**

Campo Morado Optimizations Driving Higher Net Revenue Per Tonne - Stage 3 (2026) and Stage 4 (2028) Provides More Growth Ahead



Source: Company Reports. Note: Calculation is based on current spot metal prices. Excludes TCRC + penalties.



- ◆ **Reforma Can Drive Transformative FCF Growth** – Reforma sits at the north end of the currently defined VMS trend and has a maximum strike length of 760m, extending for 60-350m along dip and is up to 50m thick. The El Rey deposit sits 200m SW of Reforma and is tabular and nearly horizontal – it is 250m wide in a NW direction and up to 40m thick. Using a cut-off grade of 5.5% Zn Reforma has a total M&I resource of 3.922Mt grading 2.38 g/t Au, 150 g/t Ag, 0.94% Cu, 1.01% Pb and 2.73% Zn (720k oz AuEq at 5.74g/t AuEq at Haywood long term metal prices) and the proximal El Rey deposit has a total M&I resource of 795 k tonnes at 1.98 g/t Au, 103 g/t Ag, 0.51% Cu, 0.95% Pb and 3.53% Zn (120k oz AuEq at 4.6 g/t AuEq). Using a lower cut-off grade (3.0% ZnEq) that is more reflective of current metal prices the Reforma resource would expand from 3.9 Mt to 7.4Mt and El Rey would expand from 795kt to 1.7Mt.
- ◆ We note that Au grades are 100% higher at Reforma than the current mining areas. In addition, Reforma will lend itself to bulk, transverse long hole mining that should support stopes up to 40m wide. The geometry will support mining on multiple sublevels with short hauls to the mill. Haywood estimates include capital development + processing growth capital of ~\$120M. This supports a scaling of production from 2,000tpd in 2025 to 2,500 tpd by 2029 and an increase in Au + Ag recoveries and payabilities driven by the improved concentrate grades. This drives an increase in companywide FCF in our model to US\$65M by 2029 at Haywood long term metal prices. **Impact: Bulk Mineable Gold Rich Deposits Should Boost Overall Margins.**
- ◆ **Expanded Exploration Program Should Unlock Gold Exploration Potential** – The Company completed 5,070m of drilling at Campo in 2025. In November 2025, the Company announced a comprehensive three-year, US\$25M exploration program designed to unlock the district-scale, high-grade gold potential across both the Campo Morado and Tahuehueto operations – given the number of targets that have been systematically outlined at Campo we expect the opportunity to add to mine life and make discoveries is significant. **Impact: Expand gold rich deposits (Reforma, El Rey) and identify new zones within the Campo Morado VMS cluster.**

Key Conclusion: We expect that Reforma and the next phase of processing upgrades will drive higher production with increased metal recoveries and payabilities. The bulk geometry should drive lower UG mining costs and insulate margins. Haywood estimates for Campo (see above) reflect a growth in AuEq production to 98.7k oz AuEq by 2029, a decline in AISC to \$1,823/ozEq, driving the step change in FCF. At the same time, the larger exploration program should continue to expand the mineable resource profile – a historic focus on zinc exploration in the district provides an opportunity for additional gold discoveries. While management execution will be critical, we believe that with existing operations in place the growth trajectory is achievable.

Campo Morado Exploration Potential - New Gold Focus in a Prolific VMS District Offers Significant Opportunity

- ◆ **Exploration Potential in a Prolific VMS District** – The mineral inventory in place includes a total mineral M&I resource of 17.5Mt which supports the ~24 year mine life in our model. There is an extensive amount of historical technical data including +29,000 soil samples, 600+km of drilling and robust geophysical datasets. We highlight 38 targets that have been identified across the 120km² land package. Luca's 2025 drill program at Campo was for 7,500m UG and 5,500m from surface. In November 2025, Luca announced a comprehensive three-year exploration program across the Campo Morado and Tahuehueto operations. This program will see 80,000 m of diamond drilling to expand and define high-grade resources. In addition, the program will utilize VRIFY's AI-assisted target-generation platform to analyze 650,000m of historical drilling, soil sampling and geophysics.
- ◆ Drilling at Campo will focus on undrilled gravity anomalies, proven effective in discovering current resources. The 38 priority targets have been ranked using integrated geological, geochemical and geophysical criteria. Both Reforma and El Rey which remain open at depth will be drilled to expand known high grade zones. Reforma Deep is a new target located immediately below all historical drilling of the Reforma deposit that is associated with a significant untested gravity anomaly.

1. Reforma

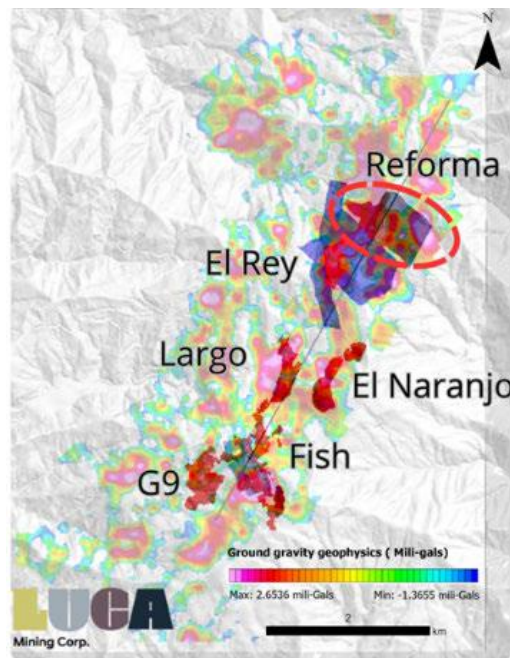
- Three distinct zones of mineralization have been identified, including: an upper lead-zinc sulphide-rich zone; a central iron sulphide-copper-rich zone grading upwards to the iron-zinc sulphide zone; and a lower gold-rich zone. Significant gold and silver mineralization occurs in the lower zone. Surface drilling in the 2025 focused on confirming and expanding existing mineral resources and intersected multiple intervals of high-grade massive sulphide mineralization.
- Key results have included - July/August 2025 – 15.1 m of 13.4 g/t AuEq (5.35 g/t Au, 187.48 g/t Ag, 0.31% Cu, 8.39% Zn, 2.75% Pb) 37.2 metres of 15.7 g/t AuEq (5.87 g/t Au, 367.50 g/t Ag, 0.53% Cu, 5.54% Zn, 2.57% Pb). Historical results have included: 14.45m of 14.33g/t Au, 566 g/t Ag, 1.33% Cu and 4.9% Zn, 16.78m of 7.86 g/t Au, 546 g/t Ag, 0.62% Cu and 4.33% Zn, 15.71m of 5.41 g/t Au, 236 g/t Ag, 0.36% Cu and 4.14% Zn, 15.18 m of 4.56 g/t Au, 188 g/t Ag, 0.38% Cu and 6.22% Zn.

2. El Rey Deposit

- The El Rey deposit lies 200 metres southwest of the Reforma deposit. The geological setting is similar to that of the Reforma deposit as the rock sequence appears to be overturned (the massive sulphides occur structurally beneath the felsic volcanic unit). The primary El Rey sulphide body is tabular in shape and nearly horizontal; it is approximately 250 metres wide in the east-west direction, 200 to 250 metres wide in a north-south direction and it is between two to 35 metres thick. Several faults with offsets of up to a few tens of metres cut the deposit. The El Rey massive sulphide is also zoned. As in the Reforma deposit, a gold, silver, lead and zinc-bearing zone is found near the base of the deposit.



Campo Morado Exploration Targets Identified by Gravity



Source: Company Reports

3. 38 Undrilled VMS Targets

- Previous exploration at Campo Morado has combined to produce an extensive, high-quality, proprietary geological database, including over 600,000 metres of underground and surface drilling, property-wide geologic/structural mapping, approximately 30,000 geochemical soil samples, and a variety of airborne and ground-based geophysical surveys (including gravity, magnetics, electromagnetics and induced polarization). Analysis of these geophysical survey datasets, particularly gravity, resulted directly in the discovery and definition of mineralized zones on the property and will continue to guide all exploration initiatives; moreover, this large geophysical dataset is currently being compiled, cleaned and reinterpreted by Luca in an effort to prioritize the greater than 38 exploration targets identified to date across the property.

Key Conclusion: We believe there is clear untapped high-grade mineral potential close to existing mine workings that continues to be identified in under-drilled zones. Extensions to the Reforma and El Rey deposits can quickly add tonnes to the existing resource envelopes given their bulk geometry. The multiple untested VMS targets across the property have clear potential to add gold and silver rich + based metal rich deposits to the mineable resource inventory given the historic focus on zinc.

Tahuehueto Mine (Durango, Mexico) – Profitable Production with Compelling Epithermal District

Haywood estimates show that once at full run rate production of 1,000 tpd Tahuehueto will produce an average annual production of 31k oz AuEq over a 12.5 year mine life. Our model reflects a LOM cash cost of \$2,017/oz AuEq (AISC of \$2,432/oz AuEq). Production at Tahuehueto will contribute to margins but in our view the real prize at Tahuehueto is the compelling exploration upside.

The Tahuehueto project is located in the northwest portion of the state of Durango, about 250 km northwest of Durango, the state capital, and 160 km northeast of the city of Culiacan, Sinaloa. The project is 25 km north of the Topia polymetallic-silver mine, 40 km northwest of the La Cienega gold, silver, base metal mine, 85 km southwest of the Guanacevi silver district, 280 km southeast of the Palmarejo silver and gold mine, and 150 km northwest of the San Dimas mining district, most notable for the Tayoltita silver and gold mine. The nearest sizeable community to the project area is Tepehuanes, which is located approximately 175 km by road east of the property and has a population of approximately 15,000. A 34.5 kV power line extends as far as Tepehuanes; diesel generators presently supply power to the project site.



Haywood Estimates for Tahuehueto Project 2025-2035

Tahuehueto	2025E	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E	2034E	2035E
Tonnes Mined (kt)	307	361	361	361	361	361	361	361	361	361	361
Throughput, tpd	862	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Tonnes Milled, kt	311	361	361	361	361	361	361	361	361	361	361
Gold Production, koz	18.4	21.2	21.2	21.2	21.2	21.2	21.2	21.2	21.2	21.2	21.2
Silver Production, koz	295	341	341	341	341	341	341	341	341	341	341
Copper Production, klb	1,213	1,321	1,321	1,321	1,321	1,321	1,321	1,321	1,321	1,321	1,321
Zinc Production, klb	6,471	7,879	7,879	7,879	7,879	7,879	7,879	7,879	7,879	7,879	7,879
Lead Production, klb	4,279	5,086	5,086	5,086	5,086	5,086	5,086	5,086	5,086	5,086	5,086
Total Zinc Eq. Production, klb	74,140	97,891	91,468	86,684	86,684	86,684	86,684	86,684	86,684	86,684	86,684
Total Gold Eq Production, koz	26.9	30.6	30.5	31.0	31.0	31.0	31.0	31.0	31.0	31.0	31.0
Capex, US\$M	\$7.5	\$8.0	\$8.0	\$8.0	\$8.0	\$8.0	\$8.0	\$8.0	\$8.0	\$8.0	\$8.0
Cash Costs, \$/lb ZnEq	\$0.80	\$0.67	\$0.71	\$0.76	\$0.76	\$0.76	\$0.76	\$0.76	\$0.76	\$0.76	\$0.76
AISC, \$/lb ZnEq	\$0.95	\$0.81	\$0.86	\$0.90	\$0.90	\$0.90	\$0.90	\$0.90	\$0.90	\$0.90	\$0.90
Cash Operating Cost, US\$/oz AuEq	\$2,128	\$2,018	\$2,036	\$2,015	\$2,015	\$2,015	\$2,015	\$2,015	\$2,015	\$2,015	\$2,015
All in Sustaining Cash Cost, US\$/oz AuEq	\$2,629	\$2,446	\$2,459	\$2,427	\$2,427	\$2,427	\$2,427	\$2,427	\$2,427	\$2,427	\$2,427
Gold Sales, koz	16.7	19.3	19.3	19.3	19.3	19.3	19.3	19.3	19.3	19.3	19.3
Silver Sales, koz	262	304	304	304	304	304	304	304	304	304	304
Copper Sales, klb	0	0	0	0	0	0	0	0	0	0	0
Zinc Sales, klb	3,973	5,279	5,279	5,279	5,279	5,279	5,279	5,279	5,279	5,279	5,279
Lead Sales, klb	3,631	4,221	4,221	4,221	4,221	4,221	4,221	4,221	4,221	4,221	4,221
Total Zinc Eq. Sales, klb	59,770	82,034	76,233	71,890	71,890	71,890	71,890	71,890	71,890	71,890	71,890
Total Gold Eq Sales, koz	22	26	25	26	26	26	26	26	26	26	26
After Tax Free Cash Flow, US\$M	\$16.2	\$25.6	\$21.1	\$17.8	\$17.8	\$17.8	\$17.8	\$17.8	\$17.8	\$17.8	\$17.8

Source: Haywood Securities

Tahuehueto Mineral Resource

Category	Tonnes	Gold		Silver		Copper		Lead		Zinc		Gold Equivalent	
	000s	g/t	000 oz	g/t	000 oz	%	000 lbs	%	000 lbs	%	000 lbs	g/t	000 oz
Probable Reserves	3,585	2.55	294	50.06	5,770	0.26	20,550	1.11	87,357	1.92	151,640	4.92	567
M&I Resources	6,260	2.11	425	46.97	9,454	0.27	36,594	0.90	123,872	1.98	273,364	4.40	886
Inferred Resources	918	1.02	30	28.46	840	0.15	3,077	1.16	23,571	1.96	39,755	2.99	88

Source: Company Reports

Mineralization at Tahuehueto occurs as polymetallic epithermal veins with multiple mineralizing events overprinted on one another in the same vein structure. The primary host rock is andesite of the lower volcanic series. Breccias are an integral part of the Tahuehueto hydrothermal system and display several genetic styles. A total of 252 holes and 48,260m of drilling has been completed historically on the Tahuehueto project from the 1980's -2011. Of the historic holes, 215 were cored drill holes, and 37 were reverse circulation (RC) holes, with the cored drill holes representing 85% the total footage. The bulk of the drilling took place during successive campaigns in a four-year period from December 2004 to August 2008. Footage completed during this time comprises 98% of the footage drilled. No drilling was conducted on the property since Luca completed four holes in 2011, until Luca began its current exploration program in late 2024.

The only drilling known to have taken place prior to Luca's involvement was conducted by Mexican Government organization Consejo de Recursos Minerales, (now known as SGM) in the early 1980s. SGM drilled 2,451m in 28 surface and underground drill holes. Luca has not been able to obtain drill logs, collar locations or results from this drilling.

Compelling Exploration Upside in An Epithermal District

We believe the exploration opportunity at Tahuehueto is potentially transformative. A 10,000m program is underway and first assays in over a decade reveal the discovery of new gold zones and good continuity of existing vein systems. A series of high-grade gold-silver deposits have been identified across an 11 km fertile geologic trend. New high grade breccia zones have been discovered within the El Creston vein system. A particular focus is drilling the highly prospective 500m gap between the Creston zone, where mining is currently happening, and the Santiago deposit. If

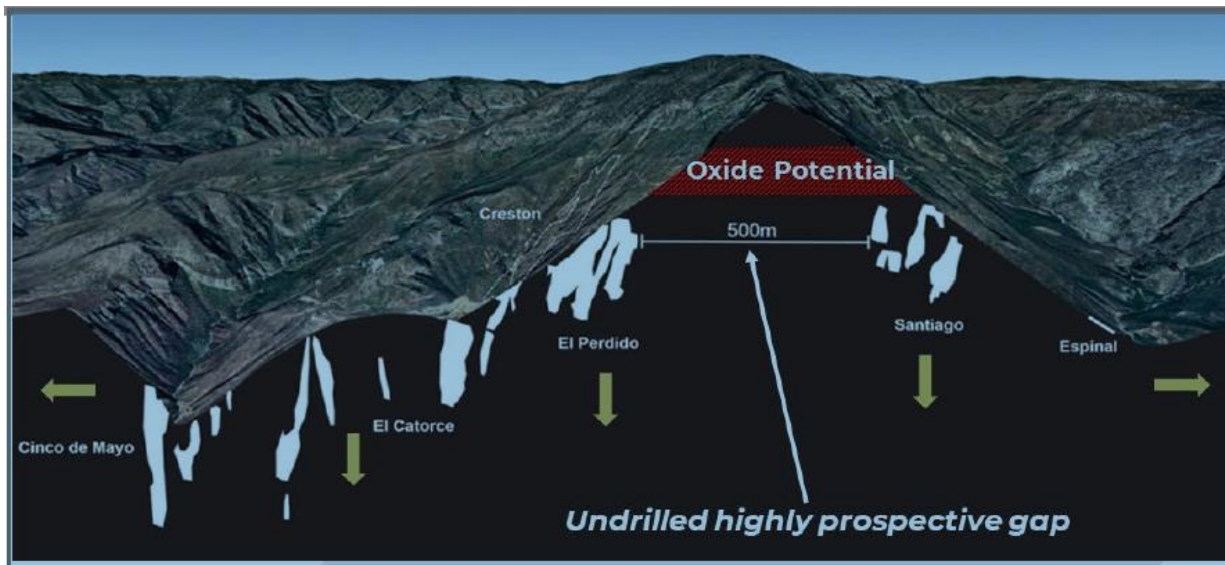


continuity can be established, this zone could be accessed by a short underground drift from existing UG infrastructure. Surface drilling in and around the underexplored Santiago deposit, ~950m from the eastern extent of the existing mine development, offers significant expansion potential with the Santiago deposit open along strike and to depth.

Key areas of focus from the ongoing 10,000m program include:

- Step out drilling along strike (north and south)
- Determining vertical extent of mineralization
- Testing multiple known but untested structures
- Development of new resources

Tahuehueto Exploration Targets



Source: Company Reports



Valuation

Luca Valuation Model

We are initiating coverage with a \$3.00 target price for Luca. Our valuation is based on a 1.0x multiple applied to our fully diluted, after-tax sum of the parts NAV_{5%} for Campo Morado and Tahuehueto.

Haywood NAV and Target Price

VALUATION	Discount rate	US\$M	US\$/share	C\$M	C\$/share
NAV VALUATION					
CAMPO MORADO (100.0%), Gu	5.0%	\$613	\$1.70	\$815	\$2.27
TAHUEHUETO (100.0%), Duran	5.0%	\$177	\$0.49	\$236	\$0.66
Sub-Total Project NAV		\$790	\$2.20	\$1,051	\$2.92
Corporate Adjustments					
Working Capital		-\$2.3	-\$0.01	-\$3.1	-\$0.01
Value of ITM Instruments		\$9.6	\$0.03	\$12.8	\$0.04
Long-term Debt		\$0.0	\$0.00	\$0.0	\$0.00
Sub-total		\$7.3	\$0.02	\$9.7	\$0.03
Total Corporate NAV		\$797	\$2.22	\$1,060	\$2.95
Multiple to NAV					1.00x
Target Price			CAD\$/share		\$3.00

Source: Haywood Securities Inc.

Haywood estimates reflect a LOM production rate of 2,450 tpd at Campo Morado and an average annual production of 81k oz AuEq over a 23.75 year mine life. We believe that these assumptions are reasonable given the infrastructure in place and the capital expenditure budget we have laid out over the next 5 years. Our estimates for Tahuehueto are in line with Luca technical reports and management guidance.

At a Haywood long term metal prices of US\$3,500/oz gold, US\$38.00/oz Ag, US\$4.75/lb copper, US\$ 1.25/lb zinc, and US\$1.00/lb lead, our model produces a project after tax NPV_{5%} of C\$1,051M which drives our target price of \$3.00/share. The table on page 13 provides a detailed breakdown of our modeled parameters for both Campo and Tahuehueto.

Haywood Modeled Output 2025-2034

Company Wide	2025E	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E	2034E	2035E
Gold Production, koz	27.4	30.7	30.9	43.4	55.9	55.9	55.9	55.9	55.9	49.5	43.1
Silver Production, koz	1,284	1,395	1,426	2,163	2,900	2,900	2,900	2,900	2,900	2,535	2,169
Copper Production, klb	10,531	11,646	11,943	12,999	14,055	14,055	14,055	14,055	14,055	14,055	14,055
Zinc Production, klb	46,120	49,695	50,898	50,529	50,160	50,160	50,160	50,160	50,160	54,388	58,616
Lead Production, klb	9,219	10,386	10,538	14,527	18,516	18,516	18,516	18,516	18,516	17,024	15,531
Total Zinc Eq. Production, klb	206,470	253,931	243,110	298,856	363,069	363,069	363,069	363,069	363,069	337,033	310,998
Total Gold Eq Production, koz	75.6	79.4	81.0	106.7	129.7	129.7	129.7	129.7	129.7	120.4	111.1
Cash Operating Cost, US\$/oz AuEq	\$2,340	\$2,473	\$2,475	\$1,935	\$1,640	\$1,640	\$1,640	\$1,640	\$1,640	\$1,781	\$1,944
All in Sustaining Cash Cost, US\$/oz AuEq	\$2,969	\$2,827	\$2,821	\$2,271	\$1,978	\$1,978	\$1,978	\$1,978	\$1,978	\$2,135	\$2,317
Gold Sales, koz	22.4	25.3	25.5	35.4	45.3	45.3	45.3	45.3	45.3	40.5	35.7
Silver Sales, koz	977	1,063	1,084	1,718	2,351	2,351	2,351	2,351	2,351	2,059	1,766
Copper Sales, klb	7,394	7,744	7,966	9,077	10,187	10,187	10,187	10,187	10,187	10,187	10,187
Zinc Sales, klb	34,445	38,732	39,694	39,399	39,103	39,103	39,103	39,103	39,103	42,486	45,868
Lead Sales, klb	3,631	4,221	4,221	4,221	4,221	4,221	4,221	4,221	4,221	4,221	4,221
Total Zinc Eq. Sales, klb	152,281	193,430	184,591	228,648	279,544	279,544	279,544	279,544	279,544	260,568	241,593
Total Gold Eq Sales, koz	56.9	60.4	61.5	81.7	99.8	99.8	99.8	99.8	99.8	93.1	86.3
Free Cash Flow, US\$M	\$1.0	-\$19.9	-\$60.0	\$17.8	\$65.4	\$67.7	\$71.2	\$74.2	\$76.7	\$65.1	\$52.8

Source: Haywood Securities Inc.



Haywood Modeled Inputs for Campo Morado and Tahuehueto

	Units	TAHUEHUETO	CAMPO MORADO
Assumptions			
Gold price	US\$/oz		\$3,500
Silver Price	US\$/oz		\$38.00
Copper Price	US\$/lb		\$4.75
Zinc Price	US\$/lb		\$1.25
Lead Price	US\$/lb		\$1.00
FX Rate	CAD\$:US\$		0.75
Production (RLOM)			
Mine Life	Years	12.5	23.8
Resource Mined	Mt	4.5	21.0
LoM Gold Grade	g/t	2.20	1.66
LoM Silver Grade	g/t	35	110
LoM Copper Grade	%	0.20%	0.80%
LoM Zinc Grade	%	1.49%	2.88%
LoM Lead Grade	%	0.90%	0.75%
Processing rate	t/d	993	2,450
Gold Produced	koz	264	560
	koz/a	21	24
Silver Produced	LoM koz	4,254	45,455
	koz/a	340	1,914
Copper Produced	LoM klb	16,469	294,384
	klb/a	1,317	12,395
Zinc Produced	LoM klb	98,216	1,124,086
	klb/a	7,857	47,330
Lead Produced	LoM klb	63,394	250,563
	klb/a	5,072	10,550
Gold Equivalent Produced	koz AuEq	385	1,920
	koz AuEq/a	31	81
Zinc Equivalent Produced	klb ZnEq	1,100,000	5,411,949
	klb ZnEq/a	88,000	227,872
Gold Equivalent Sales	koz AuEq	320	1,444
	koz AuEq/a	26	61
Zinc Equivalent Sales	klb ZnEq	913,705	4,068,044
	klb ZnEq/a	73,096	171,286
	Units	TAHUEHUETO	CAMPO MORADO
Opex			
Underground Mining Operating Cost	US\$/t mined	\$119.90	\$60.01
Processing Operating Cost	US\$/t Processed	\$31.75	\$37.55
G&A Operating Cost	US\$/t Processed	\$15.75	\$15.38
Total Unit Cost	US\$/t Processed	\$167.40	\$112.94
	Units	TAHUEHUETO	CAMPO MORADO
CAPEX			
Growth Capex	US\$M	\$0	\$119
Sustaining and Closure Capex	US\$M	\$100	\$356
Cash Costs			
Cash Cost	US\$/oz AuEq	\$2,017	\$1,848
All in Sustaining cost	US\$/oz AuEq	\$2,432	\$2,186
Cash Costs	US \$/lb ZnEq		\$0.68
AISC, \$/lb ZnEq	US \$/lb ZnEq		\$0.81
Economics			
Total Project (100% basis)			
After-Tax NPV (5%)	US\$M	\$177	\$613
After-Tax NPV (5%)	C\$M	\$236	\$815

Source: Haywood Securities Inc.



Sensitivities

Commodity Price & Discount Rate Sensitivity – Haywood Valuation

Corporate NAV (US\$M) Sensitivity to Commodity Prices and Discount Rate								Long-term Commodity Price Assumptions				
Change in Commodity Prices	Discount Rate %							Gold US\$/oz	Silver US\$/oz	Copper US\$/lb	Lead US\$/lb	Zinc US\$/lb
	2%	3%	4%	5%	6%	7%	8%					
-37.5%	-\$134	-\$129	-\$124	-\$120	-\$117	-\$114	-\$112	\$2,188	\$24	\$2.97	\$0.63	\$0.78
-30.0%	\$120	\$103	\$89	\$76	\$64	\$54	\$45	\$2,450	\$27	\$3.33	\$0.70	\$0.88
-22.5%	\$352	\$314	\$282	\$253	\$227	\$205	\$185	\$2,713	\$29	\$3.68	\$0.78	\$0.97
-15.0%	\$588	\$529	\$478	\$433	\$393	\$359	\$328	\$2,975	\$32	\$4.04	\$0.85	\$1.06
-7.5%	\$827	\$747	\$677	\$615	\$562	\$515	\$473	\$3,238	\$35	\$4.39	\$0.93	\$1.16
Base	\$1,066	\$963	\$875	\$797	\$729	\$670	\$617	\$3,500	\$38	\$4.75	\$1.00	\$1.25
7.5%	\$1,306	\$1,182	\$1,074	\$981	\$899	\$826	\$763	\$3,763	\$41	\$5.11	\$1.08	\$1.34
15.0%	\$1,546	\$1,401	\$1,274	\$1,164	\$1,068	\$983	\$909	\$4,025	\$44	\$5.46	\$1.15	\$1.44
22.5%	\$1,787	\$1,619	\$1,474	\$1,348	\$1,237	\$1,140	\$1,054	\$4,288	\$47	\$5.82	\$1.23	\$1.53
30.0%	\$2,027	\$1,838	\$1,674	\$1,531	\$1,407	\$1,297	\$1,200	\$4,550	\$49	\$6.18	\$1.30	\$1.63
37.5%	\$2,268	\$2,058	\$1,875	\$1,716	\$1,577	\$1,454	\$1,346	\$4,813	\$52	\$6.53	\$1.38	\$1.72

Corporate NAVPS (US\$/sh) Sensitivity to Commodity Prices and Discount Rate							
Change in Commodity Prices	Discount Rate %						
	2%	3%	4%	5%	6%	7%	8%
-37.5%	-\$0.22	-\$0.21	-\$0.21	-\$0.20	-\$0.19	-\$0.19	-\$0.19
-30.0%	\$0.26	\$0.22	\$0.19	\$0.16	\$0.14	\$0.12	\$0.10
-22.5%	\$0.81	\$0.72	\$0.64	\$0.58	\$0.52	\$0.47	\$0.42
-15.0%	\$1.44	\$1.29	\$1.17	\$1.06	\$0.96	\$0.88	\$0.80
-7.5%	\$2.17	\$1.96	\$1.78	\$1.62	\$1.47	\$1.35	\$1.24
Base	\$2.97	\$2.68	\$2.43	\$2.22	\$2.03	\$1.86	\$1.72
7.5%	\$3.86	\$3.49	\$3.17	\$2.90	\$2.65	\$2.44	\$2.25
15.0%	\$4.86	\$4.40	\$4.01	\$3.66	\$3.36	\$3.09	\$2.86
22.5%	\$6.00	\$5.44	\$4.95	\$4.52	\$4.15	\$3.83	\$3.54
30.0%	\$7.04	\$6.39	\$5.82	\$5.32	\$4.89	\$4.51	\$4.17
37.5%	\$7.88	\$7.15	\$6.51	\$5.96	\$5.48	\$5.05	\$4.68

Source: Haywood Securities Inc.

CAPEX and Operating Costs Sensitivity – Haywood Valuation

NAV and NAV per Share Sensitivity to:												
Growth Capital Costs (CAPEX)			Sustaining Capital Costs (Sustaining CAPEX)				Operating Costs					
Growth CAPEX	Corporate NAV (US\$M)	Corporate NAVPS (US\$)	Sustaining CAPEX	Corporate NAV (US\$M)	Corporate NAVPS (US\$)	All in Sustaining Cash Cost (US\$/oz AuEq)	Operating Costs	Corporate NAV (US\$M)	Corporate NAVPS (US\$)	Cash Operating Cost (US\$/oz AuEq)	Total Cash Cost (US\$/oz AuEq)	All in Sustaining Cash Cost (US\$/oz AuEq)
-50%	\$852	\$2.75	-50%	\$939	\$2.73	\$2,102	-50%	\$1,335	\$4.64	\$1,142	\$1,236	\$1,494
-40%	\$841	\$2.63	-40%	\$911	\$2.63	\$2,127	-40%	\$1,227	\$4.22	\$1,289	\$1,383	\$1,642
-30%	\$830	\$2.52	-30%	\$882	\$2.52	\$2,153	-30%	\$1,119	\$3.63	\$1,437	\$1,530	\$1,789
-20%	\$819	\$2.41	-20%	\$854	\$2.42	\$2,179	-20%	\$1,012	\$3.11	\$1,584	\$1,678	\$1,936
-10%	\$808	\$2.31	-10%	\$825	\$2.32	\$2,205	-10%	\$904	\$2.64	\$1,731	\$1,825	\$2,084
Base	\$797	\$2.22	Base	\$797	\$2.22	\$2,231	Base	\$797	\$2.22	\$1,878	\$1,972	\$2,231
+10%	\$786	\$2.13	+10%	\$769	\$2.12	\$2,257	+10%	\$690	\$1.83	\$2,026	\$2,120	\$2,378
+20%	\$775	\$2.05	+20%	\$740	\$2.03	\$2,283	+20%	\$584	\$1.46	\$2,173	\$2,267	\$2,526
+30%	\$764	\$1.97	+30%	\$712	\$1.93	\$2,309	+30%	\$476	\$1.12	\$2,320	\$2,414	\$2,673
+40%	\$754	\$1.89	+40%	\$684	\$1.84	\$2,334	+40%	\$372	\$0.83	\$2,468	\$2,561	\$2,820
+50%	\$743	\$1.82	+50%	\$655	\$1.75	\$2,360	+50%	\$270	\$0.58	\$2,615	\$2,709	\$2,968

Source: Haywood Securities Inc.



Peer Group Comparison

Haywood modeled estimates put Luca on a growth trajectory that should see a 103% growth in AuEq production and a significant scaling of FCF by 2029. On a 12-month basis, the stock has returned 154%. Despite the strong share price performance, Luca trades at a notable discount to its junior producer peer group. The stock trades at 0.46x P/NAV, a 35% discount to the junior producer average of 0.69x P/NAV.

On an EV/CF basis the stock trades at 10.6x EV/2025E CF. Post the execution of the Reforma + Stage 4 growth projects the stock is trading only at a 2028E multiple of 5.5x EV/CF.

We believe that operational execution should see the stock continue to be rerated as the growth plan is achieved.

Peer Group Comparables

Company	Symbol	Price	Shares O/S (million)	Market Capitalization (million)	Enterprise Value (million)	Au (Moz)	Au (g/t)	AuEq (Moz)	AuEq (g/t)	% Au	Global EV/oz Au	Global EV/oz AuEq	P/NAV	EV/CF Ratio 2025E	EV/CF Ratio 2026E
Luca Mining Corp.	TSXV:LUCA	C\$ 1.36	269.7	US\$ 266	US\$ 250.2	1.5	1.85	4.2	5.07	37%	US \$164	US \$60	0.46x*	10.6x*	8.9x*
Alkane Resources Ltd	ASX:ALK	C\$ 1.07	1365.8	US\$ 1,057	US\$ 979.2	12.5	0.44	17.5	0.62	72%	US \$78	US \$56	0.76x	7.9x	4.1x
Aris Mining Corporation	TSX:ARIS	C\$ 21.53	204.4	US\$ 3,193	US\$ 3,339.2	28.2	2.79	29.5	2.92	96%	US \$119	US \$113	0.33x	8.4x	4.8x
Bellevue Gold Limited	ASX:BGL	C\$ 1.52	1479.7	US\$ 1,634	US\$ 1,623.4	3.1	9.01	3.1	9.01	100%	US \$524	US \$524	1.04x	10.3x	6.7x
Emerita Resources Corp.	TSXV:EMO	C\$ 0.53	289.5	US\$ 111	US\$ 110.4	1.0	1.15	2.8	3.40	34%	US \$116	US \$39	0.23x	-	-
Heliostar Metals Ltd.	TSXV:HSTR	C\$ 2.72	256.6	US\$ 506	US\$ 459.7	7.7	0.66	9.9	0.84	78%	US \$60	US \$47	0.34x	12.9x	-
Jaguar Mining Inc.	TSX:JAG	C\$ 7.13	85.3	US\$ 441	US\$ 429.5	3.4	3.77	3.4	3.77	100%	US \$126	US \$126	0.59x	7.5x	3.8x
Pantoro Gold Limited	ASX:PNR	C\$ 4.34	394.2	US\$ 1,241	US\$ 1,178.5	4.7	3.08	4.7	3.08	100%	US \$250	US \$250	0.92x	17.9x	3.8x
Sandfire Resources Limited	ASX:SFR	C\$ 15.53	461.8	US\$ 5,204	US\$ 5,356.9	2.4	0.15	20.8	1.32	12%	US \$2,204	US \$257	1.33x	9.8x	7.7x
Serabi Gold plc	AIM:SRB	C\$ 5.07	75.7	US\$ 279	US\$ 236.6	1.0	7.44	1.0	7.44	100%	US \$236	US \$236	0.66x	6.1x	3.9x
St Barbara Limited	ASX:SBM	C\$ 0.47	1209.8	US\$ 412	US\$ 256.4	9.1	1.44	9.3	1.47	98%	US \$28	US \$28	0.58x	98.0x	3.6x
Wesdome Gold Mines Ltd.	TSX:WDO	C\$ 23.16	150.3	US\$ 2,526	US\$ 2,326.4	3.5	2.06	3.5	2.06	100%	US \$666	US \$666	1.01x	7.4x	5.4x
Group Average - Total											US \$401	US \$213	0.71x	18.6x	4.9x
Group Average - Total (excluding high/low)											US \$242	US \$183	0.69x	10.3x	4.6x
Median											US \$126	US \$126	0.66x	9.1x	4.1x

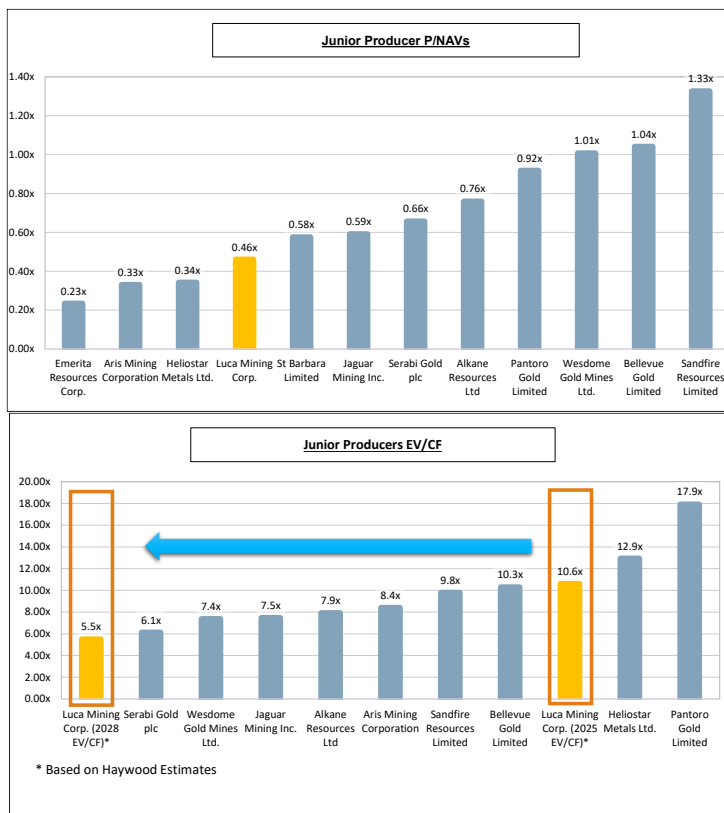
Equivalent ounces are calculated using US\$4,313/oz Au, US\$64.10/oz Ag, and US\$5.44/lb Cu

Source: Haywood Securities & S&P CapitalIQ Pro

* Based on Haywood Estimates

Source: Haywood Securities, CapitalIQ

Luca EV/CF and P/NAV Versus Peer Multiples



Source: Haywood Securities, CapitalIQ



Catalysts/Milestones

Next Steps

- ◆ **Ongoing** – Exploration from 13,000m program at Campo Morado
- ◆ **Ongoing** – Exploration from 10,000m program at Tahuehueto
- ◆ **H1 2026** – Full Run Rate Production at Tahuehueto
- ◆ **Mid 2026** – Retirement of Remaining Debt
- ◆ **Mid 2026** – Pre-feasibility Study on Mill Optimization and Reforma High Grade Gold Deposit at Campo Morado



Operating Summary

Life of Mine Operating Summary

Financials	2024A	Mar-25A	Jun-25A	Sep-25A	Dec-25E	2025E	2026E	2027E
Revenue, US\$000	\$ 80,574	\$ 38,617	\$ 36,780	\$ 35,039	\$ 49,185	\$ 159,621	\$ 201,439	\$ 191,636
General & Admin, US\$000	\$ 7,548	\$ 3,237	\$ 3,942	\$ 2,784	\$ 4,024	\$ 13,987	\$ 16,481	\$ 15,679
Net Income, US\$000	\$ (27,137)	\$ 4,520	\$ (3,228)	\$ (16,021)	\$ 3,165	\$ (11,564)	\$ 14,975	\$ 7,908
Adjusted EBITDA, US\$000	\$ 14,094	\$ 12,741	\$ 5,797	\$ 4,343	\$ 11,423	\$ 34,304	\$ 47,563	\$ 37,961
CAPEX, US\$000	\$ (5,476)	\$ (1,274)	\$ (9,503)	\$ (8,266)	\$ (3,701)	\$ (22,744)	\$ (48,004)	\$ (81,205)
Basic EPS	\$ (0.06)	\$ 0.02	\$ (0.01)	\$ (0.06)	\$ 0.01	\$ (0.05)	\$ 0.06	\$ 0.03
Op. CFPS (before WC)	\$ 0.08	\$ 0.05	\$ 0.02	\$ (0.00)	\$ 0.02	\$ 0.09	\$ 0.10	\$ 0.07
Working Capital, US\$000	\$ (20,968)	\$ 751	\$ 281	\$ (9,371)	\$ (5,441)	\$ (5,441)	\$ (15,376)	\$ (15,376)
Consolidated Totals - Company Share								
Gold Production, ounces	19,300	7,677	6,621	5,457	7,596	27,351	30,655	30,927
Silver Produced, ounces	782,866	350,669	279,839	312,324	341,234	1,284,066	1,395,251	1,425,567
Copper Production, pounds	7,346,459	2,507,061	2,578,058	2,609,000	2,837,271	10,531,390	11,646,048	11,943,011
Zinc Production, pounds	26,334,814	11,547,374	11,964,555	10,485,000	12,123,068	46,119,997	49,694,969	50,897,667
Lead Production, pounds	5,815,383	2,401,418	2,197,400	2,062,000	2,558,319	9,219,137	10,385,719	10,538,159
Total Gold Eq Production, ounces	57,487	21,293	17,861	17,078	19,355	75,586	79,354	81,037
Gold Sales, ounces	16,944	6,720	5,445	3,990	6,292	22,447	25,341	25,515
Silver Sales, ounces	592,528	273,198	209,413	233,934	260,191	976,736	1,062,591	1,084,418
Copper Sales, pounds	5,297,851	1,833,735	1,809,398	1,871,000	1,880,239	7,394,372	7,743,680	7,966,402
Zinc Sales, pounds	18,195,425	8,392,973	8,966,336	7,643,000	9,442,383	34,444,692	38,731,692	39,693,851
Lead Sales, pounds	2,072,211	988,398	825,038	762,000	1,055,262	3,630,698	4,221,048	4,221,048
Total Gold Eq Sales, ounces	43,554	16,600	13,476	12,075	14,775	56,925	60,447	61,530
Cash Costs, US\$/AuEq oz sold	\$ 1,503	\$ 1,896	\$ 2,275	\$ 2,852	\$ 2,482	\$ 2,340	\$ 2,473	\$ 2,475
All-In Sustaining Costs, US\$/AuEq oz sold	\$ 1,827	\$ 2,251	\$ 3,310	\$ 3,735	\$ 2,838	\$ 2,969	\$ 2,827	\$ 2,821
CAMPO MORADO								
Tonnes Milled	506,936	187,058	178,757	168,645	189,525	723,985	780,550	803,000
Gold Grade, g/t	1.46	1.78	1.15	1.50	1.45	1.47	1.45	1.45
Silver Grade, g/t	96.42	114.81	83.54	105.91	100	101	100	100
Copper Grade, %	0.78%	0.75%	0.77%	0.83%	0.80%	0.79%	0.80%	0.80%
Zinc Grade, %	2.38%	3.06%	3.27%	3.07%	3.00%	3.10%	3.00%	3.00%
Lead Grade, %	0.7%	0.8%	0.71%	0.76%	0.70%	0.73%	0.70%	0.70%
Gold Recovery, %	28.60%	29.70%	26.16%	22.69%	26.00%	26.14%	26.00%	26.00%
Silver Recovery, %	41.41%	44.20%	42.79%	40.47%	42.0%	42.4%	42.0%	42.0%
Copper Recovery, %	77.84%	76.20%	74.66%	72.82%	75.0%	74.7%	75.0%	75.0%
Zinc Recovery, %	82.19%	84.10%	81.04%	76.45%	81.0%	80.7%	81.0%	81.0%
Lead Recovery, %	43.90%	44.10%	44.01%	38.75%	44.0%	42.8%	44.0%	44.0%
Gold Production, ounces	6,795	2,980	1,753	1,897	2,297	8,927	9,461	9,733
Gold Sales, ounces	4,208	2,366	924	954	1,470	5,714	6,055	6,229
Silver Production, ounces	649,578	285,757	208,398	238,766	255,925	988,846	1,054,017	1,084,333
Silver Sales, ounces	480,283	216,864	144,039	169,542	184,266	714,711	758,892	780,720
Copper Production, pounds	6,788,728	2,208,604	2,283,689	2,319,000	2,506,986	9,318,279	10,324,906	10,621,869
Copper Sales, pounds	5,297,851	1,833,735	1,809,398	1,871,000	1,880,239	7,394,372	7,743,680	7,966,402
Zinc Production, pounds	21,887,200	9,954,295	10,580,460	8,961,000	10,153,293	39,649,048	41,815,870	43,018,569
Zinc Sales, pounds	15,901,113	7,370,599	8,148,996	6,829,000	8,122,634	30,471,229	33,452,696	34,414,855
Lead Production, pounds	3,230,382	1,284,687	1,243,113	1,125,000	1,286,919	4,939,719	5,300,119	5,452,559
Lead Sales, pounds	-	-	-	-	-	-	-	-
Gold Production, ounces AuEq	39,085	14,356	11,106	11,499	11,751	48,712	48,763	50,547
Gold Sales, ounces AuEq	27,468	10,847	7,763	7,807	8,404	34,821	34,811	36,119
Cash Costs, US\$/AuEq oz sold	\$ 1,512	\$ (456)	\$ (317)	\$ (275)	\$ (340)	\$ (354)	\$ (354)	\$ (228)
All-In Sustaining Costs, US\$/AuEq oz sold	\$ 1,703	\$ (369)	\$ 336	\$ 339	\$ (125)	\$ 18	\$ (140)	\$ (20)

Source: Haywood Securities



Life of Mine Operating Summary (continued)

TAHUEHUETO	2024A	Mar-25A	Jun-25A	Sep-25A	Dec-25E	2025E	2026E	2027E
Tonnes Milled	153,943	72,447	72,122	72,508	90,250	307,327	361,000	361,000
Gold Grade, g/t	2.74	2.40	2.51	1.71	2	2.20	2.20	2.20
Silver Grade, g/t	29.00	30.09	36.38	34.52	35	34	35	35
Copper Grade, %	0.19%	0.22%	0.22%	0.20%	0.20%	0.21%	0.20%	0.20%
Zinc Grade, %	1.62%	1.44%	1.30%	1.36%	1.50%	1.40%	1.50%	1.50%
Lead Grade, %	0.9%	0.9%	0.83%	0.73%	0.90%	0.85%	0.90%	0.90%
Gold Recovery, %	85.24%	85.60%	83.45%	83.68%	83.00%	83.87%	83.00%	83.00%
Silver Recovery, %	84.92%	86.00%	84.37%	85.47%	84.0%	84.9%	84.0%	84.0%
Copper Recovery, %	81.53%	84.90%	83.69%	84.33%	83.0%	83.9%	83.0%	83.0%
Zinc Recovery, %	75.10%	70.70%	66.74%	65.65%	66.0%	67.2%	66.0%	66.0%
Lead Recovery, %	78.01%	76.60%	71.70%	75.00%	71.0%	73.4%	71.0%	71.0%
Gold Production, ounces	12,505	4,697	4,868	3,560	5,298	18,423	21,194	21,194
Gold Sales, ounces	12,736	4,354	4,521	3,036	4,822	16,733	19,286	19,286
Silver Production, ounces	133,288	64,912	71,441	73,558	85,308	295,219	341,234	341,234
Silver Sales, ounces	112,245	56,334	65,374	64,392	75,925	262,025	303,698	303,698
Copper Production, pounds	557,731	298,457	294,369	290,000	330,285	1,213,111	1,321,142	1,321,142
Copper Sales, pounds	-	-	-	-	-	-	-	-
Zinc Production, pounds	4,447,614	1,593,079	1,384,095	1,524,000	1,969,775	6,470,949	7,879,099	7,879,099
Zinc Sales, pounds	2,294,312	1,022,374	817,340	814,000	1,319,749	3,973,463	5,278,996	5,278,996
Lead Production, pounds	2,585,001	1,116,731	954,287	937,000	1,271,400	4,279,418	5,085,600	5,085,600
Lead Sales, pounds	2,072,211	988,398	825,038	762,000	1,055,262	3,630,698	4,221,048	4,221,048
Gold Production, ounces AuEq	18,402	6,937	6,755	5,579	7,603	26,874	30,591	30,489
Gold Sales, ounces AuEq	16,086	5,753	5,713	4,268	6,370	22,104	25,636	25,411
Cash Costs, US\$/AuEq oz sold	\$ 1,482	\$ 722	\$ 970	\$ 1,462	\$ 886	\$ 984	\$ 861	\$ 944
All-In Sustaining Costs, US\$/AuEq oz sold	\$ 1,731	\$ 906	\$ 1,415	\$ 1,940	\$ 1,246	\$ 1,345	\$ 1,219	\$ 1,296

Source: Haywood Securities



Significant Investment Risks

- ◆ **Metals Price Risk:** The future revenue and cash generating potential of the Campo Morado and Tahuehueto Mines are highly dependent on commodity prices including Gold, Zinc, Copper, Silver and Lead. A significant decline in metals prices would negatively impact Luca and the value of the Company's shares.
- ◆ **Valuation/Forecast Risk:** Our valuation for the Company is based on many volatile factors and inputs. Fluctuations in key parameters including long term metal prices, capital cost estimates, operating cost estimates, payable metal recoveries or the implied discount rate applied to polymetallic producers would affect our forecasts and in turn, the valuation of the Company shares. Our modeled economic and operating forecasts are informed by Company technical reports where available, management guidance and comparable projects. It is possible that our forecast will differ materially from the actual experienced operating outcomes.
- ◆ **Execution/Technical Risk:** Luca faces project execution risk with the ramp up of the Tahuehueto project currently underway.
- ◆ **Financing Risk:** While Luca has a revenue stream and is free cash flow positive at spot and Haywood metal prices it is possible that the Company may at some point need to rely on external debt or equity funding. While we don't currently see this as a significant risk, there is no guarantee that sufficient debt or equity financing will be available if at all.
- ◆ **Operating Risk:** The Company is operating two mines – one in Guerrero, Mexico and one in Durango, Mexico. The Company faces the risks including but not limited to production shortfalls, mill stoppages, equipment failures, underground stope failures, key man risk and other risks associated with mining operations.
- ◆ **Political/Security/Community Risk** – The Company is exposed to political risk in Mexico as it relates to any adverse changes in mining policy, community relations risks, alterations to current tax rates, and/or conflicts and/or security issues that could affect the areas in which it operates.



Management and Board

Dan Barnholden, CEO and Director - Dan Barnholden is a seasoned professional with over 20 years of experience in senior mining investment banking roles at bank-owned and boutique dealers in Toronto and Vancouver. He has raised billions of dollars in debt and equity for junior, mid-tier and senior mining companies, as well as advised dozens of companies on mergers, acquisitions, divestitures, and other financial, strategic and governance matters. Mr. Barnholden joins Luca from an international investment banking firm where he was Managing Director, Investment Banking. Previously, he served as Head of Investment Banking at a Vancouver based, employee-owned investment banking firm. Dan completed his B.A. with Great Distinction from McGill University and holds an MBA from the Richard Ivey School of Business at the University of Western Ontario, where he was an Ivey Scholar.

Ramon Perez, President - Mr. Perez is a mining executive with over 15 years of international mining experience which includes: Co-Founder, former Interim-CEO and now President of Candelaria Mining Corp. Ten years as Vice President of the Carrelton Horizon Natural Resource Fund where he covered the metals and mining sector with a focus on publicly listed junior mining companies throughout Latin America. Founding member of Sociedad Minera Reliquias S.A., a private Peruvian mining company advancing a former 2,000 tpd silver mine in the Castrovirreyna district. Former consultant for Core Gold, a Canadian publicly listed junior gold company with projects in Ecuador. He led the overhaul of Core Gold's local operational and administrative team before an ultimate merger with Titan Minerals (TTM:ASE) in 2020.

Lisa Dea, Chief Financial Officer - Lisa Dea, CPA, CA is a highly experienced financial executive with over three decades of expertise in finance, securities, and accounting. As the former Chief Financial Officer of Guanajuato Silver Company Ltd., a TSX-V listed mid-tier producing silver company, Ms. Dea played a pivotal role in strategically reactivating past producing silver and gold mines in central Mexico. Her comprehensive skills span corporate and M&A activities, debt and capital markets, operations, financial reporting, and human resources. Ms. Dea has a proven track record of successfully negotiating and completing numerous debt and equity deals, fostering and maintaining banking relationships with international institutions, and leading teams with a focus on collaboration and mentorship. Holding a Chartered Accountant designation earned in 1997 and a Bachelor of Commerce degree from the University of British Columbia, Lisa Dea has been instrumental in overseeing all aspects of finance and legal functions, implementing structural controls, governance, and fiscal policies throughout her distinguished career. With a strong foundation built during her eleven-year tenure at Deloitte & Touche LLP, where she achieved the position of Senior Manager, Ms. Dea's strategic financial management has been evident in her roles as the CFO of several TSX, TSX-v, CSX and ASX listed companies throughout her impactful career in the finance industry.

Ramon Mendoza Reyes, M.Sc., P.Eng., Chief Technical Officer & Chief Operating Officer - Mr. Mendoza brings over 35 years of senior experience in the mining industry with expertise in mine development, mine process improvements, and a highly successful track record of managing both underground and open-pit operations. He specializes in advanced optimization techniques, integrating mine designs, planning, cost modeling tools, and geo-sciences into the mine and processing plans. Prior to joining Luca, he worked as a mining consultant and spent many years at First Majestic Silver Corp. where he was a member of the senior leadership team focused on strategic management and project implementation.

Israel Munoz, VP Finance - Israel Munoz is a seasoned CPA, CA, with 24 years of expertise spanning IFRS, financial reporting, internal controls (SOX and operational), risk management, and budgeting. His extensive background includes roles at various silver, gold, zinc, and lead mining firms across the USA, Mexico, and Latin America, such as Guanajuato Silver Company Ltd., Fortuna Silver Mines, Golden Queen Mining, and First Majestic Silver. Prior to joining Luca, Mr. Munoz served over a decade at Ernst & Young in Mexico as an audit manager, solidifying his proficiency in financial oversight and regulatory compliance.

Paul Gray, P.Geo, VP Exploration - Mr. Gray brings a proven track record of global precious metals and base metals exploration success spanning multiple continents over 30 years. His expertise includes the design, management and execution of multi-million-dollar advanced exploration and resource delineation programs as well as the authorships of numerous NI 43-101 Technical Reports. He is a member in good standing with the Engineers and Geoscientists of British Columbia and a Qualified Person as defined by NI 43-101. Mr. Gray brings a 'boots on the ground' approach to Luca's exploration team where he will lead and direct all exploration activities. Most recently Paul was VP Exploration at Victoria Gold Corp. where he was responsible for the discovery and definition of near-mine and greenfield mineral resources.

Adam Melnyk, P.Eng., CFA, VP Corporate Development - Before joining Luca, Mr. Melnyk was employed as Executive Vice President of Business Development at Victoria Gold Corp. Previously, he was the Head of Mining Research at Sun Valley Gold LLC, an SEC-registered Investment Advisor and Hedge Fund. In addition, he has worked in Equity Research with both bank-owned and independent investment dealers, where he developed a reputation for thoughtful independent analysis and maintained a strong client base. Prior to the financial industry, Adam was employed as a Mining Engineer with Golder Associates and worked in the Exploration Division of Goldcorp's Red Lake mine. Adam holds a B.Sc. in Geological Engineering (Hons) from Queen's University in Kingston, Ontario and is registered as a Professional Engineer (P.Eng.) with the Association of Professional Engineers and Geoscientists of British Columbia (APEGBC). He is also a CFA charterholder.

Peter Damouni, CHAIRMAN & DIRECTOR - Mr. Damouni has over 20 years of corporate and investment banking experience with a focus on the natural resource sector. He has served as an executive and director of a number of public companies listed on the TSX, TSXV, and LSE. During his career, he has been instrumental in developing and executing corporate strategies including equity and debt financings, restructurings, joint ventures, acquisitions and sale processes.



Rory Godinho, DIRECTOR - Over 35 years of capital markets experience on broad range of matters including mergers and acquisitions, public and private equity and debt financings and regulatory compliance. Co-founder and financier of E3 Lithium Ltd. (TSXV:ETL), a leading Canadian lithium resource and technology company. Through his extensive finance network Mr. Godinho has helped several listed companies raise significant growth capital. Mr. Godinho is a senior partner and Co-Chair of Cozen O'Connor's Canadian Capital Markets and Securities Group. Cozen O'Connor is an Amlaw 100 international law firm. Mr. Godinho is the past Chair of the TSX Venture Exchange's National Advisory Committee.

Ruben Alvidrez Ortega, DIRECTOR - Mr. Alvidrez Ortega is an Industrial Engineer with a master's degree in Business Administration (MBA) at Notre Dame University. He has extensive experience in banking operations for commercial and corporate segments, specializing mainly in continuous improvement, risk and control, as well as project development and implementation. Since 1994 he worked in several roles with Citigroup, an international bank with approximately 33,000 employees in Mexico, working with corporate clients in the US and Mexico and leading teams of over 200 people. Ruben's last position in Citigroup was in February 2020, in the corporate segment as Senior Vice-President of Custody operations.

Phil Brumit Sr., INDEPENDENT DIRECTOR - Mr. Brumit is a mining executive with over 40 years of experience in property evaluation, engineering, project management, construction, start-up and operations within the industry. He recently served as Executive VP Projects & Operations at Josemaria Resources Inc. Prior to joining Josemaria, Mr. Brumit was President and Managing Director of Minera Candelaria, Chile, a subsidiary of Lundin Mining Corporation. His previous industry experience includes President of Freeport-McMoRan's African Division and Senior Advisor, focused on the Tenke Fungurume operation.

David Rhodes, DIRECTOR - David's career in the finance industry has spanned more than twenty-five years. David is also the Managing Director of Endeavour Financial, Endeavour is one of the top mining financial advisory firms, with an award-winning track record of success in the mining industry, specializing in arranging multi-sourced funding solutions for development companies. Endeavour additionally has an asset management and developing insurance business. Prior to joining Endeavour over fourteen years ago, he was at Standard Bank London Limited, Barclays Capital and Royal Bank of Scotland. At Standard and Barclays, he sourced, structured and syndicated finance for mining projects and companies on a global basis. Having lived and worked in London and New York he has international experience of the North/South American, European, CIS and African markets. As a result, he has arranged over US\$18 billion of funding for mining companies.



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I, Jamie Spratt, hereby certify that the views expressed in this report (which includes the rating assigned to the issuer's shares as well as the analytical substance and tone of the report) accurately reflect my/our personal views about the subject securities and the issuer. No part of my/our compensation was, is, or will be directly or indirectly related to the specific recommendations.

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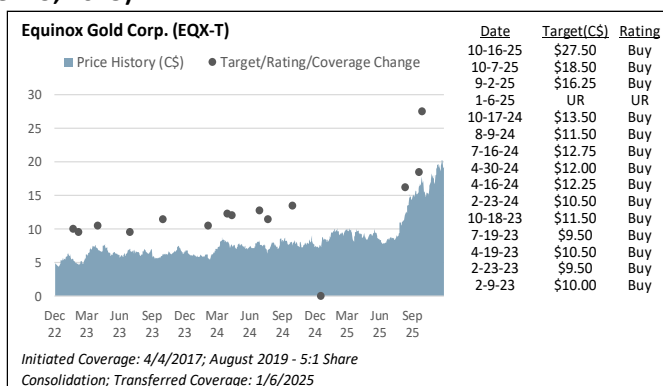
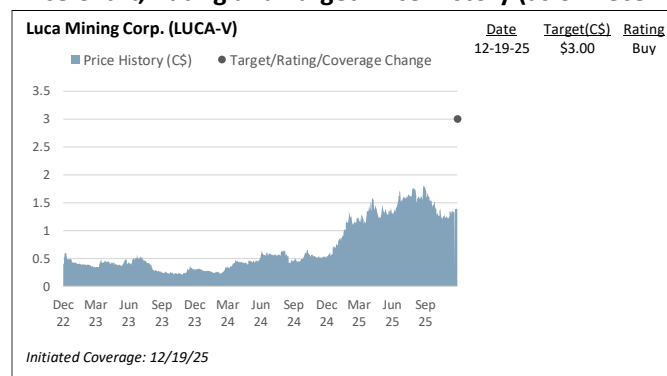
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- Haywood Securities, Inc. has reviewed lead projects of Equinox Gold Corp. (EQX-T) and Luca Mining Corp. (LUCA-V) and a portion of the expenses for this travel may have been reimbursed by the issuer.
- Haywood Securities, Inc. or one of its subsidiaries has received compensation for investment banking services from Luca Mining Corp. (LUCA-V) in the past 24 months.

Distribution of Ratings (as of December 19, 2025)

	%	#	IB Clients (TTM)
Buy	74.2%	69	100.0%
Hold	2.2%	2	0.0%
Sell	0.0%	0	0.0%
Tender	1.1%	1	0.0%
UR	0.0%	0	0.0%
Dropped (TTM)	22.6%	21	0.0%

Price Chart, Rating and Target Price History (as of December 19, 2025)



B: Buy; H: Hold; S: Sell; T: Tender; UR: Under Review

Source: Capital IQ and Haywood Securities

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