

*The following information is an excerpt reproduced directly from Doré Copper Mining Corp.'s ("Doré") management information circular dated November 13, 2024 (the "Circular") sent to the shareholders of Doré ("Doré Shareholders") in connection with the special meeting of Doré Shareholders to be held on December 16, 2024. Any references herein to "this Circular" refer to the Circular, any capitalized terms used but not defined herein are defined in the Circular, and any references to appendices or sections pertain to appendices and sections of the Circular. If you are a Doré Shareholder, you are urged to read the Circular in its entirety including the appendices to the Circular, any documents incorporated by reference therein and the forms of proxy before making a decision related to your common shares in the capital of Doré.*

## **Reasons for the Arrangement**

The Special Committee and the Doré Board reviewed and considered a significant amount of information and considered a number of factors relating to the Arrangement, with the benefit of advice from Doré's management, and the financial advisors and legal advisors of the Special Committee and the Doré Board. **The following is a summary of the principal reasons for the unanimous recommendations of the Special Committee and the Doré Board.**

- **Diversified Asset Base and Geographical Synergies.** The addition of Cygnus' quality lithium projects in James Bay, Québec, including Pontax, Auclair and Sakami, to Doré's high-grade copper assets, expands the asset portfolio of the Combined Company and provides an opportunity to leverage potential geographical synergy between the lithium properties and Doré's processing facility near Chibougamau. Doré Shareholders, through their ownership of Cygnus Shares, will retain exposure to Doré's Chibougamau high-grade copper assets and Doré's exploration portfolio. It is expected that upon completion of the Arrangement (but prior to giving effect to the Cygnus Equity Raise), existing Cygnus Shareholders and former Doré Shareholders will own approximately 55% and 45%, respectively, of the outstanding Cygnus Shares.
- **Strong Combined Management.** The Arrangement integrates the board and management of Cygnus and Doré, and the Combined Company is expected to benefit from the unique combination of Cygnus' and Doré's management teams providing for strong capital markets experience and proven exploration success, project development and operational expertise. The Cygnus team has been involved in certain transactions which returned shareholder value over time, such as Bellevue Gold, Mincor Resources, Firefly Metals Limited, Andean Silver Limited, Ramelius Resources and Kidman Resources. The Combined Company's board of directors will be comprised of three board members nominated by Cygnus and three board members nominated by Doré.
- **Enhanced Capital Markets Presence and Trading Liquidity.** Upon completion of the Arrangement, it is proposed that the Combined Company will be listed on both the ASX and the TSXV, providing it with greater exposure to capital markets than is currently available to Doré. The Combined Company, being a larger, ASX and TSXV dual-listed company, will enjoy an enhanced profile with an elevated capital markets presence and value proposition to a wider range of global investors. Additionally, the increased size of the Combined Company and the anticipated ASX and TSXV dual listing of the Cygnus Shares is expected to provide for greater liquidity and access to additional capital markets for shareholders of the Combined Company.
- **Pathway for Accelerated Exploration to Enhance Hub-and Spoke Operation Model.** It is expected that the Combined Company will systematically explore the Chibougamau mining camp using modern exploration techniques and geophysics with the objective of growing the resource inventory.
- **Fairness Opinion.** Paradigm has provided the Fairness Opinion to the effect that, as of the date thereof, and subject to the assumptions, limitations and qualifications set out therein, the Consideration to be received by the Doré Shareholders pursuant to the Arrangement is fair, from a financial point of view, to the Doré Shareholders.
- **Support by Directors and Officers of Doré.** All of the directors and senior officers of Doré have entered into Doré Voting and Lock-up Agreements with Cygnus. Under the Doré Voting and Lock-up Agreements, each of the following individuals has agreed to, among other things, support the Arrangement and to vote any Doré Shares they own in favour of the Arrangement Resolution: Frank Balint, Joseph de la Plante, Laurie Gaborit, Sara Heston, Nicholas Kwong, Martha Manuel, Ernest Mast, Gavin Nelson, Brent Omland and Mario Stifano.

- **Support by Key Doré Shareholders.** Pursuant to Doré Voting and Lock-up Agreements, two of Doré's significant shareholders, Equinox Partners Investment Management, LLC and Ocean Partners Holdings Limited have agreed, among other things, to vote, or cause to be voted, all of the Doré Shares that they exercise control or direction over, representing in aggregate approximately 57% of the issued and outstanding Doré Shares as of the Record Date, in favour of the Arrangement Resolution.
- **Reasonable Termination Payment.** The Termination Fee equal to approximately 3.75% of the undiluted equity value,<sup>1</sup> which is payable in certain circumstances by Doré, is reasonable. In the view of the Special Committee and the Doré Board, the Termination Fee would not preclude a third party from potentially making a Superior Proposal to Doré.

In making their respective determinations and recommendations, the Special Committee and the Doré Board also observed that a number of procedural safeguards were in place and present to protect the interests of Doré, Doré Shareholders and other Doré stakeholders. These procedural safeguards include, among others:

- **Ability to Respond to Unsolicited Superior Proposals.** Under the terms of the Arrangement Agreement, the Doré Board is able to respond to any unsolicited *bona fide* written proposal that, having regard to all of the terms and conditions of such proposal, constitutes or would reasonably be expected to constitute a Superior Proposal.
- **Negotiated Transaction.** The Arrangement Agreement is the result of an arm's length negotiation process, with Doré having retained and received advice from its financial and legal advisors.
- **Shareholder Approval.** In order to become effective, the Arrangement must first have received the Doré Shareholder Approval at the Meeting.
- **Court Approval.** In order to become effective, the Arrangement must be approved by the Court, which will consider, among other things, the substantive and procedural fairness and reasonableness of the Arrangement to Doré Shareholders. The court approval will also constitute the basis for an exemption from registration under the U.S. Securities Act for the Cygnus Shares and Replacement Options to be issued under the Arrangement pursuant to Section 3(a)(10) of the U.S. Securities Act. See "*Part 9 – Securities Law Matters – United States Securities Laws Matters*".
- **Dissent Rights.** The Interim Order provides that a Registered Doré Shareholder as at the Record Date may, upon strict compliance with certain conditions, exercise Dissent Rights and, if ultimately successful, receive the fair value of their Doré Shares in accordance with the Plan of Arrangement.

In making their respective determinations and recommendations with respect to the Arrangement, the Special Committee and the Doré Board also considered a number of potential risks and potential negative factors, which the Special Committee and the Doré Board concluded were outweighed by the positive substantive and procedural factors of the Arrangement described above, including the following:

- **Integration Challenges.** The challenges inherent in combining two businesses of the diversity and complexity of Doré and Cygnus.
- **Diversion of Management Attention.** The potential risk of diverting management's attention and resources from the operation of Doré's business, including other strategic opportunities and operational matters, in the short-term, while working toward the completion of the Arrangement.
- **Impact on Doré's Relationships.** The potential negative effect of the Arrangement on Doré's business, including its relationships with employees, suppliers, and communities in which it operates.
- **Limitations on Operation of Business during Interim Period.** The restrictions on the conduct of Doré's business prior to the completion of the Arrangement, which could delay or prevent Doré from undertaking business opportunities that may arise pending completion of the Arrangement.

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<sup>1</sup> Based on AUD:CAD exchange rate of 0.9277. Based on 169,258,863 issued and outstanding Doré Shares and Cygnus's closing price of \$0.077 (A\$0.083) as at October 11, 2024.

- **Retention of Key Personnel.** The potential adverse impact that business uncertainty pending the completion of the Arrangement could have on Doré's ability to attract, retain and motivate key personnel until the completion of the Arrangement.
- **Risk of Non-Completion.** The risk that the Arrangement may not be completed despite Doré's and Cygnus' efforts or that completion of the Arrangement may be unduly delayed, even if the Doré Shareholder Approval is obtained, including the possibility that conditions to Doré's and Cygnus' obligations to complete the Arrangement may not be satisfied, and the potential resulting negative impact this could have upon Doré's business.
- **Limitations on Solicitation of Alternative Transactions.** The limitations contained in the Arrangement Agreement on Doré's ability to solicit additional interest from third parties, given the deal protections in the Arrangement Agreement, as well as the fact that if the Arrangement Agreement is terminated under certain circumstances, Doré will be required to pay the Termination Fee to Cygnus.
- **Difficulty of Negotiating an Alternative Transaction if the Arrangement Agreement is Terminated.** The fact that if the Arrangement Agreement is terminated and Doré decides to seek another transaction or business combination, it may be unable to find a party willing to pay greater or equivalent value compared to the Consideration being provided to the Doré Shareholders under the Arrangement.
- **Risks Related to Regulatory Approvals.** The risk that the Court and regulatory agencies may not approve the Arrangement or may impose terms and conditions on their approvals that may adversely affect the business and financial results of the Combined Company.
- **Transaction Costs.** The fact that Doré has incurred and will continue to incur significant transaction costs and expenses in connection with the Arrangement, regardless of whether the Arrangement is completed.
- **Enforcement Risk.** Judgment against Cygnus in Canada for breach of the Arrangement Agreement may be difficult to enforce against Cygnus' assets outside of Canada.

The foregoing summary of the information considered by the Special Committee and the Doré Board is not, and is not intended to be, exhaustive. In view of the wide variety of factors and information considered in connection with their evaluation of the Arrangement, the Special Committee and the Doré Board did not find it practicable to, and therefore did not, quantify or otherwise attempt to assign any relative weight to each specific factor or item of information considered in reaching their conclusions and recommendations.

The Special Committee and the Doré Board's reasons for recommending the Arrangement include certain assumptions relating to forward-looking information, and such information and assumptions are subject to various risks. See "*Part 3 – Cautionary Statement Regarding Forward-Looking Information*" and "*Part 13 – Risk Factors Relating to the Arrangement*" of this Circular.