

IOLITE PARTNERS LTD.

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# The Case for Change at Dynacor

*A best-in-class business. The wrong board to run it.*

**Dynacor Group Inc.** (TSX: DNG) · 2026 Annual General Meeting · June 19, 2026

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*Presented by iolite Partners Ltd. — largest shareholder of Dynacor (~7% of common shares)*

# Key Takeaways

Dynacor has the model, market opportunity, and track record to be an exceptional business— what it lacks is the leadership, transparency, and accountability required to fully realize that potential. This is a vote **FOR** the business.



## WITHHOLD

On the five incumbent directors tied to operations, governance and audit and risk: Martineau, Gourde, Béliveau, Rocha, and Rodriguez-Perrot.



## VOTE AGAINST

Resolution 3: the 650,000-option replenishment that entrenches the team accountable for the underperformance, on plan terms that permit backdoor repricing.

### WHY CHANGE IS WARRANTED

# 3%

#### Total shareholder return

DNG's TSR since Jan 30, 2025 — a fraction of the ~73x delivered by junior-producer peers over the same window.

# -3%

#### Production in decline

Gold-equivalent output fell in 2025 even as gold ran from ~US\$2,600 to ~US\$4,300/oz — self-inflicted, not market.

# 5

#### Undisclosed developments

Material events shareholders were never told about: the overhaul of the Peru team, senior dismissals, a 4-month SUNAT export hold, asset sales, missing-gold incidents.

# The Vote-No Case Rests on Two Key Questions

1

## Is Change Warranted?

The case for change is compelling. Dynacor has persistently underperformed peers and relevant indices across nearly every TSR measurement period, while operational setbacks and serious governance concerns further reinforce the need for accountability.

2

## Retain or Depose Incumbents?

Dynacor's performance and governance failures demand accountability. Shareholders would be better served by removing the five directors responsible for the Dynacor's current position.

# The Case for Director Accountability

The question for shareholders is straightforward: if Dynacor has not delivered competitive returns in a strong market environment, what confidence should shareholders have in the Board's ability to generate value going forward?

We believe the underlying structure is excellent, but the leadership is broken. Our objective remains the same as the concerns we raised in 2025: to ensure that Dynacor is operating with the transparency, discipline, and governance standards that shareholders expect.



**WITHHOLD**

On all five incumbent directors responsible for operations, governance, and audit and risk: Martineau, Gourde, Béliveau, Rocha, and Rodriguez-Perrot.



**VOTE AGAINST**

Resolution 3: the replenishment of 650,000 stock options, inappropriate given performance and unresolved governance concerns including inadequate plan amendment provisions

# The Opportunity is Exceptional

iolite is Dynacor's largest shareholder for over three years, owning approximately 7% of the Company. Our investment was grounded in the strength of the Company's operating model, deep-rooted Peruvian relationships, its industry-leading reputation, and track record of execution.

We have meaningful skin in the game – our interests are directly aligned with those of fellow shareholders.



## A Proven Model

Two decades purchasing ore from artisanal miners, processing it, and exporting refined gold with relationships at every level of the supply chain.



## Best-in-class Reputation

A responsible, traceable artisanal-gold supply chain that, run properly, generates strong and predictable returns.



## Historic Gold Tailwind

Gold rose from ~US\$2,600/oz at the start of 2025 to ~US\$4,300/oz by year-end — a windfall a well-run business should have captured.

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*Dynacor has the model, the market opportunity, and the track record to be an exceptional business. What it lacks today is the leadership, transparency, and accountability needed to realize that potential.*

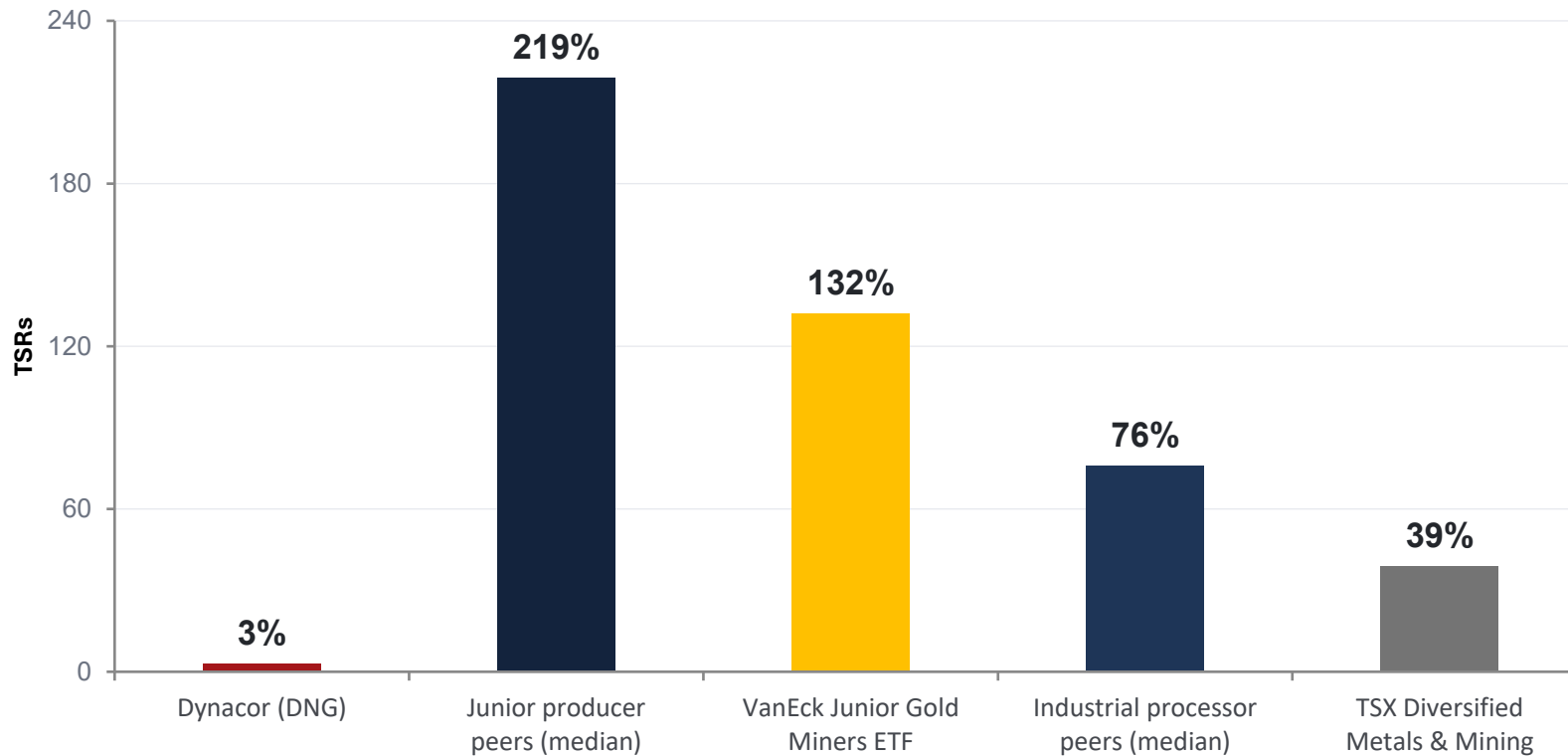
QUESTION 1

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# Is Change Warranted?

# DNG Missed the Gold Rally Captured by Peers

Total shareholder return since January 30, 2025: the trading day before iolite launched its public campaign against Dynacor in 2025. This is the most relevant window for judging Dynacor's performance against the concerns that iolite previously raised. As shown below, Dynacor has significantly trailed its peers and relevant indices.



# 73x

Junior-producer peers returned roughly 73 times Dynacor's TSR over the same period.

**While peers benefited from record gold prices, Dynacor failed to capture the same upside, pointing to company-specific, self-inflicted causes.**

Source: S&P Capital IQ Pro; TSRs as of May 22, 2026 (last trading day before iolite's release). DNG in CAD; peers in local currencies; dividends reinvested.

# Record Gold Prices Have Obscured Underlying Operational Deterioration

Dynacor attributes the decline to “temporary disruptions” and planned maintenance. The timing tells another story: production fell as the Peruvian leadership team was dismantled.

**-5.7%**

**Ore processed at Veta Dorada**

~166,000 t in 2025 vs ~176,000 t in 2024 (and  
~171,000 t in 2023)

**-3%**

**Gold-equivalent production**

113,791 GEoz in 2025 vs 117,552 GEoz in 2024

*Source: Dynacor Q4 2025 MD&A*

## Mounting Concerns Around Capital Allocation

The Ecuador processing plant was announced in March 2025 with ~US\$25M of project cost expected within twelve months. Roughly US\$7M of planned 2025 spend has been deferred into 2026, and first production is now pushed to Q4 2026 — raising legitimate questions about the Board's ability to deliver on the commitments it makes to shareholders.

# A Controlled Review and Undisclosed Events Undercut the Board's Governance Claims

On April 22, 2026, the Board declared its transformation complete. Two governance failures sit behind that claim: a review the Board itself controlled, and a series of material developments shareholders were never told about.

## An “independent” review the Board controlled

- Scope never disclosed; the identity of the reviewer has not been disclosed.
- The Board — not the firm — drew the conclusion that practices were “consistent with values.”
- No written report, methodology, or findings shared with shareholders.
- A judge in its own cause: management sat on the supervising committee, at substantial shareholder cost.

## Material developments never disclosed

- The scale and consequences of the mid-2024 Peruvian workforce overhaul.
- The April 28, 2026, dismissal of the two most senior Peruvian executives.
- A four-month SUNAT red-channel hold on every export shipment (Jan 10-May 14, 2026).
- The sale of the Northern Peru Crusher and ore-assay laboratory.
- Two separate five-kilogram missing gold incidents.

# The Option Replenishment Raises Serious Governance Concerns

The Board asks shareholders to replenish 650,000 stock options. iolite urges a vote against it.

- ⊘ The stock option plan's amendment provisions are inadequate and don't require shareholder approval for key changes.
- ⊘ Most notably, the board may cancel and reissue options on its own, a backdoor repricing mechanism that lets management effectively reset award terms without ever asking owners.
- ⊘ An options replenishment entrenches the very team accountable for the underperformance.

**650,000**

*options proposed for replenishment*

QUESTION 2

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# Retain or Depose Incumbent Directors?

# The Strongest Accountability Case Centers on Martineau and Gourde

Martineau and Gourde are the most compelling targets for accountability, with the record pointing to entrenched leadership, direct responsibility, and recurring governance failures.

## JEAN MARTINEAU

President & CEO · Director since 2007 · Non-independent

- Directed the dismantling of Veta Dorada's experienced Peruvian leadership and oversaw declining production.
- His continued presence on the Board after the CEO transition would only entrench the incumbent leadership behind these problems. Shareholders are better served by withholding votes on his election.
- Sat on the committee supervising the external review — management overseeing an investigation into its own watch.
- Generated negative average TSRs across outside directorships; board member of Malaga Inc. when it entered insolvency proceedings.

## RÉJEAN GOURDE

Chair, Governance/Nomination/Comp. · Director since 2018 · Independent

- Accountable for CEO-succession opacity and a pattern of entrenchment and resistance to board refreshment .
- Owns the shareholder-rights record: the QBCA 21-day miss and the cost-shifting resolution that could have a chilling effect on fundamental shareholder rights.
- Oversaw a 3-month delay responding to iolite's board candidate, requiring an apology.
- Not standing for re-election at a TSX-listed peer (G Mining Ventures Inc.) on age/renewal grounds Dynacor has not adopted.
- Generated negative TSRs during his CEO tenure at Reunion Gold Corporation.

# The Remaining Directors Held the Mandates Most Closely Tied to the Failures

Each of these remaining directors had a mandate directly tied to the alleged failures, yet the Board failed to ensure timely disclosure, escalation, or corrective action.

## PIERRE BÉLIVEAU

### Audit and Risk Chair

*Director since 2024*

As Chair of the Audit and Risk Management Committee, Mr. Béliveau had principal committee-level responsibility for overseeing the integrity of Dynacor's financial processes, internal controls and material risk disclosure during the period in which the alleged SUNAT classification, missing-gold incidents, Peru leadership dismissals and changes to the Company's sourcing and related-party arrangements were not disclosed.

## ISABEL ROCHA

### Environment and Social Responsibility Chair

*Director since 2018*

As Chair of the Environment and Social Responsibility Committee and a director with extensive Latin American sustainability experience, Ms. Rocha should be held accountable for the apparent failure to address serious sourcing compliance, traceability and labour-related issues in Peru, including the dismantling of key compliance functions and the dismissal of long-serving employees without notice, reason or severance.

## ROCÍO RODRIGUEZ-PERROT

### Independent director based in Peru

*Director since 2021*

As the only director based in Peru and the only Board member with the legal training and local proximity necessary to assess these matters in real time, Ms. Rodriguez-Perrot was uniquely positioned to identify, escalate and address the serious regulatory, legal, labour and whistleblower issues affecting Veta Dorada. Her failure to ensure appropriate Board oversight and response makes her directly accountable for these governance failures.



# **The Constructive Path Forward**

# Concrete Steps to Restore Accountability and Oversight

A withhold vote is a means, not an end. iolite is calling on the Board to take concrete, verifiable steps before and after the meeting.

**1** Name the next CEO and Chairman before the vote — not after.

**2** Commission a genuinely independent governance review, with a written report to shareholders.

**3** Conduct a forensic operational review from January 1, 2024 to date.

**4** Fully disclose the overhaul, dismissals, SUNAT classification, asset sales, and inventory incidents.

**5** Provide an honest strategic review of the Latin American and African operations.

**6** Appoint leadership with the capability and integrity to run the business at full capacity.

# Both questions answer in shareholders' favour

**Change is warranted.** Persistent relative TSR underperformance, deteriorating operations, and a sustained pattern of governance failures.

**These directors are accountable.** Each failure maps to a role or committee held by an incumbent now asking to be trusted with the recovery.

**WITHHOLD** on all five directors that are responsible for the present situation.

**VOTE AGAINST** Resolution 3

*A vote FOR the business and basic shareholder rights.*