

## CHAIRMAN'S 2024 LETTER

Dear Shareholder,

I am once again honored to write this *Chairman's Letter* to you. Since last year we have maintained our strategy for West Vault Mining and the Hasbrouck Project. We have executed to our key objectives of holding permitted gold mineral reserves in Nevada, minimizing holding and overhead costs, protecting and enhancing shareholder value, and being patient while underlying conditions for our project development continue to improve. Our strategy is focused on delivering the best long-term value for our stakeholders while minimizing corresponding risks.

Underlying this strategy is a strong belief that the next several years will see meaningfully higher gold prices that will enhance the value of our project. That view has been supported so far in 2024 with gold moving to new secular highs that touched US\$2,400 an ounce in April 2024, 20% higher than the US\$2,000 level of a year ago. We fully expect gold price volatility to remain in our future but believe this price breakout is signaling an important new cycle of rising prices that will persist for many years.

We anticipate that a rising gold price environment will drive a materially higher value for our project, as better described in the 2023 Pre-Feasibility Study. As disclosed in the sensitivity table for that report, our base case after tax NAV 5 valuation of US\$206 million at a US\$1,790 gold price increases to US\$359 million using a US\$2,200 gold price assumption.

Our gold-in-ground strategy also has significant advantages in a world with 5% interest rates. The opportunity cost of holding an ounce of gold in a vault at a 5% risk-free interest rate today is over US\$100 per ounce per year. Owning an ounce of recoverable gold owned by West Vault at today's market valuation is under US\$100 per ounce. This provides a very efficient way to hold gold exposure.

West Vault Mining has a largely permitted project in a premier mining jurisdiction and, as reflected in our updated Pre-Feasibility Study of February 2023, has robust economics at current gold price levels and modest upfront capital requirements. Importantly, our project is in Nevada, which the well-respected Fraser Institute ranks as the number two mining jurisdiction in the world.

We believe West Vault Mining offers a unique way to own gold with low financial and operating risk while retaining leveraged upside exposure to gold price appreciation. We seek to align with shareholders who want to share this long-term vision and strategy.

Looking to the future, during this time of appreciating gold prices we will continue our efforts to de-risk the Hasbrouck Gold Project, seeking to lower the market implied NPV discount and thereby increasing the benchmark valuation for the project. Our view is that this patient strategy is the best

way to protect shareholder value today and to unlock and enhance value from Hasbrouck tomorrow.

Since April 2022, the Company has operated a Normal Course Issuer Bid (NCIB) share buy-back program. The NCIB has been renewed annually, with the third and most recent NCIB set in place recently on May 6, 2024. Pursuant to the May 2024 NCIB, the Company may purchase up to 2.9 million common shares, or approximately 5% of the Company's outstanding common shares. Since April 2022, under all NCIB programs, the Company has purchased 633,500 Common Shares at an average price of approximately CAD\$0.93 per common share for a total cash consideration of CAD\$589,830. We view using a portion of our treasury for this as both prudent and accretive, given that we believe we are trading at a discount to the underlying value of the Hasbrouck Project.

On October 12, 2023, the Company announced it had been granted a 1% Net Smelter Return Royalty on claims and certain mineral leases lying to the south-east of the Hasbrouck Project. In exchange, the Company delivered to the grantor its accumulated exploration data for the Tonopah Divide Mining Company property developed when the Company performed work there during 2018-2019.

During 2023 and into 2024, we continued to be one of several sponsors of the *Arid Land Research Fund* (ALRF), a 5-year research project focusing on ways to reverse desertification in the US Southwest which we initiated in 2022. The ALRF funds the research work of a team of world-class ecologists at the University of Nevada Reno. The first of two planned ALRF projects commenced in late 2022. This is a five-year program studying the effects of seed coatings on Indian rice-grass germination and propagation, a beneficial native plant largely eradicated by settlement, and which would help in hard-to-revegetate lands disturbed by mining and exploration activities. The second growing season at the test plots located near Tonopah occurred in 2023 and we are pleased to report that results have been positive.

Your board of directors, management team, and our core shareholders are aligned with the strategy of patiently holding permitted Nevada gold reserves until the market presents an opportunity to either build or sell at values that provide significant rewards for patient investors. With my three decades of experience in the precious metals mining sector, I believe West Vault Mining represents an ideal prototype of how to own gold-in-the-ground with low financial and operating risk while retaining leveraged upside exposure to gold price appreciation.

Finally, by way of this letter, I formally invite you to this year's Annual General Meeting of Shareholders, which will be held on Monday, June 24, 2024.

Yours sincerely,

**WEST VAULT MINING INC.**

*(s) Peter Palmedo*

Chairman of the Board