Risk Factors Comparison 2024-03-15 to 2023-03-14 Form: 10-K

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Our operations and financial condition are subject to significant risks, including those described below. You should carefully consider these risks. If any of these risks actually ~~occurs~~ **occur**, our business, financial condition, and / or results of operation could be adversely affected. This report, including **the** Management' s Discussion and Analysis of Financial Condition and Results of Operations, contains forward **-** looking statements that may be affected by several risk factors, including those set forth below. The following information summarizes all material risks known to us as of the date of filing this report: Risks Relating to Our Financial Condition, Results of Operation and Cash Flows Our results of operations, cash flows and the value of our properties are highly dependent on the market prices of gold, silver, and copper and these prices can be volatile. The profitability of our gold and silver mining operations and the value of our mining properties are directly related to the market price of gold, silver and copper. The price of gold, silver and copper may also have a significant influence on the market price of our common stock. Historically, the market price of gold ~~and~~ **,** silver **, and copper** has fluctuated significantly and is affected by numerous factors beyond our control. These factors include supply and demand fundamentals, global or national political or economic conditions, expectations with respect to the rate of inflation, the relative strength of the U. S. dollar and other currencies, interest rates, gold and silver sales and loans by central banks, forward sales by metal producers, accumulation and divestiture by exchange traded funds, and a number of other factors such as industrial and commercial demand. The volatility of mineral prices represents a substantial risk which no amount of planning or technical expertise can fully eliminate. This is especially true since we do not hedge any of our sales. We derive all of our revenue from the sale of gold and silver and our results of operations will fluctuate as the prices of these metals change. A period of significant and sustained lower gold and silver prices would materially and adversely affect our results of operations and cash flows. In the event metal prices decline or remain low for prolonged periods of time, our existing producing properties may become uneconomic, and we might be unable to develop our undeveloped properties, which may further adversely affect our results of operations, financial performance **,** and cash flows. An asset impairment charge may also result from the occurrence of unexpected adverse events **, including a material diminution in the price of gold, silver, and / or copper,** that ~~impact~~ **impacts** our estimates of expected cash flows generated from our producing properties or the market value of our non- producing properties **and investments**, including **McEwen Copper** ~~a material diminution in the price of gold and / or silver~~. During ~~2022~~ **2023**, the price of gold, as measured by the London ~~PM~~ **P. M.** fix, fluctuated between $ 1, ~~629~~ **811** and $ 2, ~~039~~ **078** per ounce, while the price of silver fluctuated between $ ~~17~~ **20**. ~~77~~ **09** and $ 26. ~~18~~ **03** per ounce. As at March ~~10~~ **14**, ~~2023~~ **2024**, gold, silver and copper prices were $ ~~1~~ **2**, ~~861~~ **160**. ~~25~~ **80** / oz, $ ~~20~~ **24**. ~~09~~ **97** / oz, and $ ~~3~~ **4**. ~~86~~ **03** / lb, respectively. We have incurred substantial losses in ~~recent~~ **prior** years and may ~~never return to~~ **not be consistently** ~~profitability~~ **profitable in future years. For the year ended December 31, 2023, the Company earned pre- tax income of $ 67. 0 million**. During the ~~three~~ **two** years ended December 31, 2022, **and** 2021, ~~and 2020,~~ we ~~have~~ incurred pre- tax losses ~~on an annual basis~~ of $ 80. 3 million **and** $ 64. 2 million ~~and $ 153. 7 million~~, respectively. As of December 31, ~~2022~~ **2023**, our accumulated deficit, which includes historic non- cash impairment charges, was $ 1. ~~3~~ **2** billion. In the future, our ability to ~~become~~ **remain** profitable will depend on the profitability of the Gold Bar mine, the Fox Complex, including the Froome mine and Stock deposits, and the San José mine, our ability to generate revenue sufficient to cover our costs and expenses, and our ability to advance, sell or otherwise monetize our other properties and our interest in the Los Azules copper project. In pursuit of profitability, we will seek to identify additional mineralization that can be extracted economically at operating and exploration properties. For our non- operating properties that we believe demonstrate economic potential, we need to either develop our properties, locate and enter into agreements with third party operators, or sell the properties. We may suffer significant additional losses in the future and may not be profitable again. ~~Even if we do achieve profitability, we may not be able to sustain or increase profitability on a quarterly or annual basis.~~ Our business requires substantial capital investment from outside sources, and we may be unable to raise additional funding on favorable terms to develop additional mining operations. In addition, our ongoing reliance on equity funding will result in continued dilution to our existing shareholders. We have in the past and will likely in the future require significant capital to develop our exploration projects. A significant portion of that funding in the past has come in the form of sales of our common stock. We continue to evaluate capital and development expenditure requirements as well as other options to monetize certain assets in the Company' s portfolio including Los Azules, Grey Fox, Stock West and the Fenix Project. If we make a positive decision to develop one or more of these initiatives, the ~~expenditures~~ **expenditure** ~~incurred~~ **required** may significantly exceed our working capital. Our ability to obtain necessary funding, in turn, depends upon a number of factors, including the state of the economy, our operating results and applicable commodity prices. We may not be successful in obtaining the required financing to advance our projects or for other purposes, on terms that are favorable to us or at all, in which case, our ability to replace **depleted mineral** reserves and continue operating would be adversely affected. Failure to obtain such additional financing could result in delay or indefinite postponement of further exploration or potential development and in the possible partial or total loss of our interest in certain properties. Even if we are successful in obtaining additional equity capital, it will result in dilution to existing shareholders. Our indebtedness adversely affects our cash flow and may adversely affect our ability to operate our business. As of December 31, ~~2022~~ **2023**, we had an outstanding **credit facility** ~~long term, secured debt~~ with a principal amount of $ **40** ~~50. 0 million and an outstanding long term, unsecured subordinated promissory note with a principal amount of $ 15~~. 0 million. Repayment of the debt is secured by a lien on certain of our and our subsidiaries' assets. This debt requires us to make monthly principal payments of $ ~~2~~ **1**. 0 million beginning on ~~August~~ **January** 31, ~~2023~~ **2025 ,** for 18 months, with a final $ ~~12~~ **21**. 0 million principal payment on ~~March~~ **August** 31, ~~2025~~ **2026** ~~. The promissory note is payable in full on or before September 25, 2025, and interest on the promissory note is payable monthly at a rate of 8 % per annum~~. We cannot be certain that our cash flow from operations will be sufficient to allow us to pay the principal and interest on our debt and meet our other obligations. Even if we have sufficient cash flow to retire the debt, those payments will affect the amount of cash we have available for capital investment, exploration, ongoing operations and other purposes. Payments on our debt may also inhibit our ability to react to changing business conditions. Any failure to meet our debt obligations could harm our business and financial condition and may require us to sell assets or take other steps to satisfy the debt. Our ability to make payments on and / or to refinance our indebtedness and to fund planned capital expenditures will depend on our ability to generate sufficient cash flow from operations or financing in the future. We cannot assure that our business will generate sufficient cash flow from operations or that future borrowings, or other financing will be available to us in an amount sufficient to enable us to pay principal and interest on our indebtedness or to fund our other liquidity needs. Decreases in precious metal prices, in addition to our ability to execute our mine plans at existing operations, may adversely affect our ability to generate cash flow from operations. If our cash flow and existing capital resources are insufficient to fund our debt obligations, we may be forced to reduce our planned capital expenditures, sell assets, seek additional equity or debt capital, or restructure our debt, and any of these actions, if completed, could adversely affect our business and / or the holders of our securities. We cannot assure that any of these remedies could, if necessary, be completed on commercially reasonable terms, in a timely manner or at all. In addition, any failure to make scheduled payments of interest and principal on our outstanding indebtedness could result in the immediate acceleration of the debt and foreclosure of our assets. ~~Restrictive~~ **19Restrictive** debt covenants could limit our growth and our ability to finance our operations, fund our capital needs, respond to changing conditions, and engage in other business activities that may be in our best interests. Our credit facility contains covenants that restrict or limit our ability to: ● ~~Pay dividends or distributions on our capital stock; ●~~ Borrow additional funds; ● Repurchase, redeem, or retire our capital stock; ~~19~~ ● Make certain loans and investments; ● Sell assets; ● Enter into certain transactions with affiliates; ● Create or assume certain liens on our assets; ● Make certain acquisitions; or ● Engage in certain other corporate activities. As part of our facility, the debt can be called in certain circumstances, including on demand in the event of a material adverse change in our business or our inability to satisfy certain financial tests on an ongoing basis. Our ability to comply with these requirements may be affected by events beyond our control, and we cannot assure you that we will satisfy them in the future. In addition, these requirements could limit our ability to obtain future financings, make needed capital expenditures, withstand a future downturn in our business or the economy in general, or otherwise conduct necessary corporate activities. We may also be prevented from taking advantage of potential business opportunities that arise because of the restrictive covenants under our debt agreement. A breach of any of the covenants in our debt agreements could result in a default under the agreement. Increased operating and capital costs could adversely affect our results of operations. Costs at any particular mining location are subject to variation due to a number of factors, such as variable ore grade, changing metallurgy and revisions to mine plans in response to the physical shape and location of the ore body, as well as the age and utilization rates for the mining and processing ~~-~~related facilities and equipment. In addition, costs are affected by the price and availability of input commodities, such as fuel, electricity, labor, chemical reagents, explosives, steel, concrete **,** and mining and processing related equipment and facilities. Commodity costs are, at times, subject to volatile price movements, including increases that could make production at certain operations less profitable. Further, changes in laws and regulations can affect commodity prices, uses and transport. Reported costs may also be affected by changes in accounting standards. A material increase in costs at any significant location could have a significant adverse effect on our results of operation and operating cash flow. We could have significant increases in capital and operating costs over the next several years in connection with the development of new projects in challenging jurisdictions and in the sustaining and / or expansion of existing mining and processing operations. Costs associated with capital expenditures may increase in the future as a result of factors beyond our control. Increased capital expenditures may have an adverse effect on the results of operation and cash flow generated from existing operations, as well as the economic returns anticipated from new projects. If we do not hedge our exposure to reductions in gold and silver prices, we may be subject to significant reductions in price. We do not use hedging transactions with respect to any of our gold and silver production. Accordingly, we may be exposed to more significant price fluctuations if gold and / or silver prices decline. While the use of hedging transactions limits the downside risk of price declines, their use also may limit future revenues from price increases. Hedging transactions also involve the risk that the counterparty may be unable to satisfy its obligations. ~~Estimates~~ **20Estimates** relating to new development projects and mine plans of existing operations are uncertain and we may incur higher costs and lower economic returns than estimated. Our decision to develop a project is typically based on the results of feasibility studies, which estimate the anticipated economic returns of a project. However, the actual project profitability or economic feasibility may differ from such estimates as a result of any of the following factors, among others: ● Changes in ~~metals~~ **metal** prices; ● Changes in tonnage, grades and metallurgical characteristics of mineralized material to be mined and processed; ● Changes in input commodity and labor costs; ~~20~~ ● The quality of the data on which engineering assumptions were made; ● Adverse geotechnical conditions; ● Availability of an adequate and skilled labor force; ● Availability, supply and cost of utilities such as water and power; ● Fluctuations in inflation and currency exchange rates; or ● Changes in tax laws, the laws and / or regulations around royalties and other taxes due to the regional and national governments and royalty agreements. Our recent development activities, including at our Gold Bar mine and at the Fox Complex, may not result in the expansion or replacement of past production with new production, or one or more of these new production sites or facilities may be less profitable than currently anticipated or may not be profitable at all, any of which could have a material adverse effect on our results of operations and financial position. For our existing operations, we base our mine plans on geological, metallurgical **,** and engineering assumptions, financial projections **,** and commodity price estimates. These estimates are periodically updated to reflect changes in our operations, including modifications to our proven and probable reserves and measured, indicated **,** and inferred resources, revisions to environmental obligations, changes in legislation and / or our political or economic environment, and other significant events associated with mining operations. There are numerous uncertainties inherent in estimating quantities and qualities of gold, silver and copper and costs to mine recoverable reserves, including many factors beyond our control, that could cause actual results to differ materially from expected financial and operating results or result in future impairment charges. We are subject to foreign currency risks which may increase our costs and affect our results of operation. While we transact most of our business in U. S. dollars, certain expenses, such as labor, operating supplies, and property and equipment, may be denominated in Canadian dollars, Mexican pesos or Argentine pesos. As a result, currency exchange fluctuations and foreign exchange regulations may impact our operating costs. The appreciation of non- U. S. dollar currencies against the U. S. dollar increases costs and the cost of purchasing property and equipment in U. S. dollar terms in Canada, Mexico **,** and Argentina, which can adversely impact our operating results and cash flows. The value of cash and cash equivalents denominated in foreign currencies also fluctuates with changes in currency exchange rates. **The** ~~Appreciation~~ **appreciation** of non- U. S. dollar currencies results in a foreign currency gain on such investments and a depreciation in non- U. S. dollar currencies results in a loss. We have not utilized market risk sensitive instruments to manage our exposure to foreign currency exchange rates but may do so in the future. We also hold portions of our cash reserves in Canadian, Mexican **,** and Argentine currency. ~~Our~~ **21Our** continuing reclamation obligations at Tonkin, Gold Bar, Fox Complex, El Gallo, and other properties could require significant additional ~~expenditures~~ - **expenditure** . We are responsible for the reclamation obligations related to disturbances on all our properties. In Canada and the United States, we are required to post bonds to ensure performance of our reclamation obligations. As of December 31, ~~2022~~ **2023** , we have accrued $ ~~41~~ **43** . ~~8~~ **0** million in estimated reclamation costs for our properties, including $ ~~39~~ **42** . ~~4~~ **5** million covered by surety bonds for projects in the United States and Canada. We have not posted a bond in Mexico as none is required by the current legislation; however, we have recorded a liability of $ ~~10~~ **8** . ~~5~~ **0** million based on the estimated amount of our reclamation obligations in that jurisdiction. There is a risk that any surety bond or recorded liability, even if increased based on the analysis and work performed to update the reclamation obligations, could be inadequate to cover the actual costs of reclamation when actually carried out. The satisfaction of bonding requirements and continuing reclamation obligations will require a significant amount of capital. Further, it is possible that the United States Bureau of Land Management may request that we provide additional long- term financing supported by a long- term trust for an amount that cannot be determined at present. There is a risk that we will be unable to fund any additional bonding requirements or that the surety bonds may no longer be accepted by the governmental agencies as satisfactory reclamation coverage, in which case we would be required to replace the surety bonding with cash, and further, that the regulatory authorities may increase reclamation and bonding requirements to such ~~21a~~ **a** degree that it would not be commercially reasonable to continue exploration activities, which may adversely affect our results of operations, financial performance and cash flows. There is no guarantee that we will declare distributions to shareholders. From June 2015 to September 2018, we paid a distribution to holders of our common stock on a semi- annual basis. Those distributions were suspended in March 2019. Any determination to reinstate this distribution on our common stock will be based primarily upon covenants in outstanding debt instruments, our financial condition, results of operations and capital requirements, including for capital expenditures and acquisitions, and our Board of Directors' determination that the distribution to shareholders is in the best interest of our shareholders and in compliance with all laws and agreements applicable to the Company. The provisions of our outstanding secured debt prohibit us from paying dividends, even if our operations might warrant such payment. Risks Relating to Our Operations as a Mining CompanyOur estimates of proven and probable mineral reserves and resources are based on interpretation and assumptions and, under actual conditions, may yield less mineral production than is currently estimated or may result in additional impairment charges to our operations. Unless otherwise disclosed, proven and probable reserves and measured, indicated **,** and inferred resources figures presented in our filings with securities regulatory authorities, including the SEC, in our news releases and other public statements that may be made from time to time, are based upon estimates made by both independent and our own internal professionals. Estimates of proven and probable reserves and measured, indicated **,** and inferred resources are subject to considerable uncertainty and are based, to a large extent, on the prices of gold and silver and interpretations of geologic data obtained from drill holes and other exploration techniques. These prices and interpretations are subject to change. If we determine that certain of our estimated reserves or resources have become uneconomic, we may be forced to reduce our estimates. Actual production may be significantly less than we expect **,** and such reductions may result in impairment charges such as **those** we experienced in 2020. When making determinations about whether to advance any of our projects to development, we rely upon such estimated calculations as to the mineralized material and grades of mineralization on our properties. Until ore is mined and processed, mineralized material and grades of mineralization must be considered as estimates only. We cannot ensure that these estimates will be accurate, or this mineralization can be mined or processed profitably. ~~Any~~ **22Any** material changes in mineral estimates and grades of mineralization may affect the economic viability of placing a property into production and such property' s return on capital. There can be no assurance that minerals recovered in small scale tests will be recovered in large- scale tests under on- site conditions or in production scale. Extended declines in market prices for gold and / or silver may render portions of our mineralization estimates uneconomic and result in reduced reported mineralization or adversely affect the commercial viability of one or more of our properties. Any material reductions in estimates of mineralization, or of our ability to extract this mineralization, could have a material adverse effect on our results of operations or financial condition. Investors should also be aware that calculations of " reserves " and " resources " differ under SEC reporting standards and those under other international standards, such as Canada. Investors should also be aware that resources may not be converted into reserves. Please also see, CAUTIONARY NOTE **REGARDING DISCLOSURE** ~~TO UNITED STATES INVESTORS- INFORMATION CONCERNING PREPARATION~~ OF **MINERAL PROPERTIES** ~~RESOURCE AND RESERVE ESTIMATES~~ . We may be unable to replace gold and silver reserves as they become depleted. Like all metal producers, we must continually replace reserves depleted by production to maintain production levels over the long term and provide a return on invested capital. Depleted reserves can be replaced in several ways, including expanding known ore bodies, locating new deposits **,** or acquiring interests in reserves from third parties. Exploration is highly speculative in nature, involves many risks and uncertainties and is frequently unsuccessful in discovering significant mineralization. Accordingly, our current or future exploration programs may not result in new mineral producing ~~22operations~~ -- **operations** . Even if significant mineralization is discovered, it will likely take many years from the initial phases of exploration to commencement of production, during which time the economic feasibility of production may change. From time to time, we may acquire reserves from other parties, as we did in 2017. Such acquisitions are based on an analysis of a variety of factors including historical operating results, estimates and assumptions on the extent of ore reserves, the timing of production from such reserves, **available** cash **,** and other operating costs. In addition, we may rely on data and reports prepared by third parties (including in relation to the ability to permit and comply with existing regulations), which may contain information or data that we are unable to independently verify or confirm in advance. Other than historical operating results, these factors are uncertain, they may contribute to the uncertainties related to the process used to estimate ore reserves and have an impact on our revenue, our cash flow and other operating issues. As a result of these uncertainties, our exploration programs and acquisitions may not result in the expansion or replacement of our current production with new ore reserves or operations, which could have a material adverse effect on our business, prospects, results of operations and financial position. Our acquisitions may not achieve their intended results. Our acquisitions subject us to many risks. ~~The Fox Complex acquired in 2017 was a distressed asset which has struggled to produce positive cash flows during its years of operation. We are working to improve the operations but without a reserve base, the success of this operation is dependent upon finding additional mineralization through exploration and there is no guarantee that we will be able to convert this mineralization into mineable reserves.~~ We may discover title defects, adverse environmental or other conditions relating to the properties acquired of which we are currently unaware. Environmental, title, and other problems could reduce the value of the properties to us, and depending on the circumstances, we could have limited or no recourse to the sellers with respect to those problems. We have assumed substantially all of the liabilities associated with acquired properties, and such liabilities could be significant. ~~We~~ **23We** own our 49 **. 0** % interest in the San José mine under the terms of an option and joint venture agreement (“ OJVA ”), and **our 47. 7 % interest in the Los Azules copper project under the terms of a shareholder agreement, and** therefore we are unable to control all aspects of the exploration and development of, and production from, ~~this~~ **these** ~~property~~ **properties** . Our ~~interest~~ **interests** in the San José mine ~~is~~ **and Los Azules copper project are** subject to the risks normally associated with the conduct of joint ventures **and corporations** . A disagreement between joint venture partners **or corporation shareholders** on strategic decisions or how to conduct business efficiently, the inability of joint venture partners **or corporation shareholders** to meet their obligations to the joint venture **or corporation** or third parties, or litigation arising between joint venture partners **or corporation shareholders** regarding joint venture **or corporation** matters could have a material adverse effect on the viability of our interests held through the joint venture **or corporation** . Since all day- to- day decisions are made by the majority owner of **each of** the ~~venture~~ **San José mine and the Los Azules copper project** , we are unable to participate in those decisions, including whether and when to pay dividends to the venture partners. Even if ~~we are~~ **McEwen Copper is** successful in achieving one or more of ~~our~~ **its** strategic initiatives at the Los Azules project, its development presents challenges that may negatively affect, if not completely negate, the feasibility for development of the property. Los Azules is located in a remote location, previously ~~accessibly~~ **accessible** only by 75 miles of dirt road with ~~eight~~ **fourteen** river crossings and two mountain passes above 13, 450 feet. An additional access road at lower altitude was completed in May 2022, which has one mountain pass above 11, 000 feet. Even assuming that technical difficulties associated with this remote location can be overcome, the significant capital costs required to develop the project may make the project uneconomical. If the long- term price of copper decreased significantly below the current price or capital cost estimates increased significantly, Los Azules may not be feasible for development, and we may have to write off the remaining carrying value of ~~the asset~~ **our investment in McEwen Copper** . Furthermore, the project’ s economic feasibility has not yet been demonstrated through a full feasibility study. The **Initial** ~~Preliminary Economic~~ Assessment (“ ~~PEA~~ **IA** ”) is preliminary in nature, includes S- K 1300 mineral resources that are considered too speculative geologically to have economic considerations applied to them that would allow them to be categorized as mineral reserves either under S- K 1300 or NI 43- 101, and there is no certainty that the ~~PEA~~ **IA** will be realized. ~~23We~~ **We** may acquire additional exploration- stage properties on which reserves may never be discovered. We have acquired in the past and may acquire in the future additional exploration- stage properties. There can be no assurance that we have completed or will be able to complete the acquisition of such properties at reasonable prices or on favorable terms and that reserves will be identified on any properties that we acquire. We may also experience negative reactions from the financial markets if we are unable to successfully complete acquisitions of additional properties or if reserves are not located on acquired properties. These factors may adversely affect the trading price of our common stock or our financial condition or results of operations. The nature of mineral exploration and production activities involves a high degree of risk and the possibility of uninsured losses that could adversely and materially affect our operations. Exploration for and production of minerals is highly speculative and involves greater risk than many other businesses. Many exploration programs do not result in the discovery of mineralization, and any mineralization discovered may not be of sufficient quantity or quality to be profitably mined. Few properties that are explored are ultimately advanced to production. Our current exploration efforts, and future development and mining operations are subject to all of the operating hazards and risks normally incident to exploring for and developing mineral properties, such as, but not limited to: ● economically insufficient mineralized material; ● fluctuations in production costs that may render mining uneconomical; ● availability of labor, contractors, engineers, power, transportation and infrastructure; ● labor disputes; ● potential delays related to social, public health, and community issues; ● negotiations with aboriginal groups or local populations affecting our efforts to explore, develop or produce ~~gold~~ **24gold** and silver deposits; ● unanticipated variations in grade and other geological problems; ● environmental hazards; ● water conditions; ● difficult surface or underground conditions; ● metallurgical and other processing problems; ● mechanical and equipment performance problems; ● industrial accidents, personal injury, fire, flooding, cave- ins, landslides **,** and other natural disasters; and ● decrease in reserves or resources due to a lower price of silver, gold **,** or copper. Any of these risks can adversely and materially affect, among other things, the development of properties, production quantities and rates, costs and expenditures, potential revenues **,** and production dates. We currently have no insurance to guard against any of these risks, except in very limited circumstances. If we determine that capitalized costs associated with any of our mineral interests are not likely to be recovered, we would incur a write- down of our investment in these interests. All of these factors may result in losses in relation to amounts spent and those amounts that would then not be recoverable. Our operations are subject to permitting requirements which could require us to delay, suspend or terminate our operations on our mining properties. Our mining operations, including ongoing exploration drilling programs and development efforts, require permits from various state and federal governments, including permits for the use of water and for drilling water wells. We may be unable to obtain these permits in a timely manner, on reasonable terms or on terms that provide us **with** sufficient resources to develop our properties in any way. Even if we are able to obtain such permits, the time required by the permitting process can be significant. If we cannot obtain or maintain the necessary permits, or if there is a delay in receiving these permits, our timetable and business plan for exploration of our properties will be adversely affected, which may in turn adversely affect our results of operations, financial condition, cash flows and market price of our securities. ~~24Due~~ -- **Due** to increased activity levels of non-governmental, aboriginal **,** and local groups targeting the mining industry, the potential for the government or process instituted by non- governmental, aboriginal **,** and local groups, to delay the issuance of permits or impose new requirements or conditions upon mining operations may be increased. Any changes in government policies may be costly to comply with and may delay mining operations. Future changes in such laws and regulations, if any, may adversely affect our operations, make them prohibitively expensive, or prohibit them altogether. If our interests are materially adversely affected as a result of a violation of applicable laws, regulations, permitting requirements or a change in applicable law or regulations, it would have a significant negative impact on the value of our company and could have a significant impact on our stock price. Our operations in Argentina and Mexico are subject to political and social risks. With respect to **our interests in McEwen Copper Inc., which owns the** Los Azules **copper project** ~~and our affiliated company~~ , **and** Minera Santa Cruz S. A, which owns the San José mine, there are risks relating to an uncertain or unpredictable political and economic environment in Argentina, illustrated by the following: ● Argentina defaulted on foreign debt repayments and on the repayment on a number of official loans to multinational organizations in 2002 and 2003 ~~,~~ and defaulted again on its bonds in 2014. ● In 2012, Argentina' s President announced the nationalization of the majority stake of Yacimientos Petrolíferos Fiscales (" YPF "), Argentina' s largest oil company. ● In December 2017, Argentina enacted comprehensive tax reform (Law No. 27, 430 (the " Law ")). Specifically, the Law introduces amendments to tax and other various laws, including a special regime comprising an optional revaluation of assets for income tax purposes. ● In 2018, Argentina' s federal government introduced a decree imposing a temporary tax on all exports from Argentina. The tax was introduced as an emergency measure due to the significant peso devaluation during the year. The estimated impact to MSC is a tax of approximately 7. 5 % of revenue. **25** ● In September 2019, Argentine authorities implemented new foreign exchange regulations that impact the results of MSC. The main restrictions include, but are not limited to, full repatriation of proceeds of exports in cash bank savings to be denominated only in Argentine pesos and authorization from the Argentina Central Bank being required for dividend distributions abroad and intercompany loan payments. ● In October 2019, Alberto Fernández was elected to office. The prior president, Mr. Mauricio Macri, who assumed office in December 2015, implemented several significant economic and policy reforms, including reforms related to foreign exchange and trade, fiscal policy, labor laws and tax rules. The fiscal, monetary and currency adjustments undertaken by the Macri administration subdued growth in the short- term, and some measures, including the export tax, have negatively impacted Argentina sourced revenues. ● In December 2019, the Argentina federal government approved a decree delaying the corporate tax rate to change from 30 % to 25 % to the end of 2021 and extending the temporary export tax introduced in September 2018 to the end of 2021. Furthermore, the decree suspended the increase in the dividend withholding tax from 7 % to 13 % until January 2021. ● In 2020, the Alberto Fernández administration marked its first year in office, a year in which it faced numerous challenges including renegotiating Argentina' s foreign debt, managing currency crises, and, most difficult, designing Argentina' s response to the COVID- 19 pandemic. ● In June 16, 2021, Law 27, 630, which introduced amendments to the corporate income tax law, entered into force. Under prior law, the corporate income tax rate was 25 %. As per the new law applicable to fiscal years starting on or after January 1, 2021, corporate income will be subject to tax at progressive rates ranging from 25 % to 35 %. Starting in January 2022, these brackets will be annually adjusted to account for inflation, as per the consumer price index published by relevant governmental agency. ● Under prior law, **the** distribution of earnings attributable to fiscal year 2021 ~~were~~ **was** subject to withholding tax at a 13 % rate. ~~The rate was tied to the prior income tax rate of 25 %. The enacted~~ Law 27, 630 **, enacted in June 2021,** reduced ~~the~~ **this** withholding tax rate on ~~dividend~~ distributions **of** ~~to non- residents from~~ earnings ~~obtained from the beginning of 2021~~ to 7 % **. ● On Nov 19, 2023, Argentina elected Javier Milei as its new president. Milei has proposed fast and radical measures to address a large fiscal imbalance, including dramatic cuts to federal spending, full dollarization, closure of the central bank and privatizations. ● On Dec 28, 2023, Argentine President Javier Milei sent a reform bill to Congress proposing far- reaching changes to the country' s tax system, electoral law and public debt management** . With respect to the El Gallo mine in Mexico, there has been an ongoing level of violence and crime relating to drug cartels and gangs in Sinaloa State where we operate, and in other regions of Mexico. Our facility at the El Gallo mine was robbed ~~25in~~ **in** 2015. On December 17, 2019, the US State Department issued a Level 2 (" Increased caution ") warning with respect to five Mexican states, including Sinaloa State, due to violent crime. On September 8, 2020, the US State Department issued a Level 3 (" Reconsider travel ") warning with respect to five Mexican states, including Sinaloa State, due to violent crime and COVID- 19. On April 20, 2021, the US State Department issued a Level 4 (" Do not travel ") warning with respect to six Mexican states, including Sinaloa State, due to violent crime and COVID- 19. On January 5, 2023, the US State Department reiterated its caution against travel to Sinaloa State due to unrest resulting from the capture of Ovidio Guzmán López, a highranking member of the Sinaloa Cartel. **A general update on August 22, 2023, reiterated a do not travel warning to Sinaloa State due to violent crime and kidnapping.** These events may disrupt our ability to carry out exploration and mining activities and may affect the safety and security of our employees and contractors. ~~Our~~ **26Our** operations and properties in Canada expose us to additional political risks. Our properties in Canada may be of particular interest or sensitivity to one or more interest groups, including aboriginal groups (which are generally referred to as" First Nations" and " Metis " groups). We have mineral projects in Ontario that are in areas with an aboriginal presence. It is our practice to work closely with and consult with First Nations in areas in which our projects are located or which could be impacted by our activities. However, there is no assurance that relationships with such groups will be positive. Accordingly, it is possible that our production, exploration or development activities on these properties could be interrupted or otherwise adversely affected in the future by political uncertainty, native land claims entitlements, expropriations of property, changes in applicable law, governmental policies and policies of relevant interest groups, including those of First Nations. Any changes in law or relations or shifts in political conditions may be beyond our control, or we may enter into agreements with First Nations, all of which may adversely affect our business and operations and if significant, may result in the impairment or loss of mineral concessions or other mineral rights, or may make it impossible to continue our mineral production, exploration or development activities in the applicable area, any of which could have an adverse effect on our financial conditions and results of operations. Our operations face substantial regulation of health and safety. Our operations are subject to extensive and complex laws and regulations governing ~~worker~~ **workers '** health and safety across our projects and our failure to comply with applicable legal requirements can result in substantial penalties. Future changes in applicable laws, regulations, permits and approvals or changes in their enforcement or regulatory interpretation could substantially increase costs to achieve compliance, lead to the revocation of existing or future exploration or mining rights or otherwise have an adverse impact on our results of operations and financial position. Our mines are inspected on a regular basis by government regulators who may issue citations and orders when they believe a violation has occurred under local mining regulations. If inspections result in an alleged violation, we may be subject to fines, penalties or sanctions and our mining operations could be subject to temporary or extended closures. In addition to potential government restrictions and regulatory fines, penalties or sanctions, our ability to operate (including the effect of any impact on our workforce) and thus, our results of operations and our financial position, could be adversely affected by accidents, injuries, fatalities or events detrimental (or perceived to be detrimental) to the health and safety of our employees, the environment or the communities in which we operate. Reform of the General Mining Law in the United States could adversely affect our results of operations. Periodically, members of the U. S. Congress have introduced bills which would supplant or alter the provisions of the General Mining Law of 1872, which governs the unpatented claims that we control with respect to our U. S. properties. One such amendment has become law and has imposed a moratorium on the patenting of mining claims, which reduced the security of title provided by unpatented claims such as those on our U. S. properties. If additional legislation is enacted, it could substantially increase the cost of holding unpatented mining claims by requiring payment of royalties ~~,~~ and could significantly impair our ability to develop mineral estimates on unpatented mining claims. Such bills have proposed, among other things, to make permanent the patent moratorium, to impose a federal royalty on production from unpatented mining claims and to declare certain lands as unsuitable for mining. Although it is impossible to predict at this time what royalties may be imposed in the future, the imposition of such royalties could adversely affect the potential for development of such mining claims, and the economics of existing operating mines on federal unpatented mining claims. Passage of such legislation could adversely affect our business. ~~26Title~~ -- **Title** to mineral properties can be uncertain, and we may be at risk of loss of ownership of one or more of our properties. Our ability to explore and operate our properties depends on the validity of our title to those properties. Our U. S. mineral properties include leases of unpatented mining claims, as well as unpatented mining and mill site claims, which we control directly. Unpatented mining claims provide only possessory title **,** and their validity is often subject to contest by third parties or the federal government, which makes the validity of unpatented mining claims uncertain and generally riskier. Similarly, Canadian mineral properties consist of patented and unpatented claims which each have their respective risks and uncertainties. Further, there may be title defects or additional rights that are not recorded on the title. Our concessions ~~in~~ **27in** Mexico are subject to continuing government regulation and failure to adhere to such regulations will result in termination of the concession. Similarly, under Argentine Law, failure to comply with applicable conditions may result in the termination of the concession. Uncertainties inherent in mineral properties relate to such things as the sufficiency of mineral discovery, proper posting and marking of boundaries, assessment work and possible conflicts with other claims not determinable from public record. We have not obtained title opinions covering our entire property, with the attendant risk that title to some claims, particularly title to undeveloped property, may be defective. There may be valid challenges to the title to our property which, if successful, could impair development and / or operations. We cannot ensure that we will have an adequate supply of water to complete desired exploration or development of our mining properties. Our mining operations require significant quantities of water for mining, ore processing and related support facilities. Our operations in the United States, Mexico and Argentina are in areas where water is scarce and competition among users for continuing access to water is significant. Continuous production at our mines is dependent on our ability to maintain our water rights and claims and to defeat claims adverse to our current water uses in legal proceedings. Although each of our operations currently has sufficient water rights and claims to cover its operational demands, we cannot predict the potential outcome of pending or future legal proceedings relating to our water rights, claims and uses. Water shortages may also result from weather or environmental and climate impacts out of the Company' s control. Our ongoing operations and past mining activities are subject to environmental risks, which could expose us to significant liability and delay, suspension or termination of our operations. All aspects of our operations are subject to United States, Canada, Mexico and Argentina federal, state and local environmental regulation. These regulations mandate, among other things, the maintenance of air and water quality standards and land reclamation. They also set forth limitations on the generation, transportation, storage and disposal of solid and hazardous waste, including cyanide. Environmental legislation is evolving in a manner which will require stricter standards and enforcement, increased fines and penalties for non- compliance, more stringent environmental assessments of proposed projects, and a heightened degree of responsibility for us and our officers, directors and employees. Future changes in environmental regulation, if any, may adversely affect our operations, make our operations prohibitively expensive, or prohibit them altogether. Environmental hazards may exist on our properties that are unknown to us at the present and that have been caused by us, previous owners or operators, or that may have occurred naturally. We utilize explosives in our business, which could cause injury to our personnel, and damage to our equipment or assets. Mining properties from the companies we have acquired may cause us to be liable for remediating any damage that those companies may have caused. The liability could include response costs for removing or remediating the release and damage to natural resources, including ground water, as well as the payment of fines and penalties. Failure to comply with applicable environmental laws, regulations and permitting requirements may also result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities, causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. Our industry is highly competitive, attractive mineral lands are scarce, and we may not be able to obtain quality properties. We compete with many companies in the mining industry, including large, established mining companies with substantial capabilities, personnel and financial resources. There is a limited supply of desirable mineral lands available for claim staking, lease or acquisition in the United States, Canada, Mexico and Argentina, and other areas where we may conduct exploration activities. We may be at a competitive disadvantage in acquiring mineral properties, since we compete with ~~27these~~ -- **these** individuals and companies, many of which have greater financial resources and larger technical staffs than we do. From time to time, specific properties or areas which would otherwise be attractive to us for exploration or acquisition may be unavailable to us due to their previous acquisition by other companies or our lack of financial resources. Competition in the industry is not limited to the acquisition of mineral properties but also extends to the technical expertise to find, advance, and operate such properties; the labor to operate the properties; and the capital for the purpose of funding such properties. Many competitors not only explore for and mine precious metals ~~,~~ but conduct refining and marketing operations on a world- wide basis. Such competition may result in our Company being unable not only to acquire desired properties, but to recruit or retain qualified employees or to acquire the capital necessary to fund our operation and advance ~~our~~ **28our** properties. Our inability to compete with other companies for these resources would have a material adverse effect on our results of operation, financial condition and cash flows. We rely on contractors to conduct a significant portion of our operations and construction projects. A portion of our operations and construction projects are currently conducted in whole or in part by contractors, including our operations at the Gold Bar mine ~~,~~ **and** Fox Complex ~~and Los Azules~~ . As a result, our operations are subject to a number of risks, some of which are outside our control, including: ● Negotiating agreements with contractors on acceptable terms; ● The inability to replace a contractor and its operating equipment in the event that either party terminates the agreement; ● Reduced control and oversight over those aspects of operations which are the responsibility of the contractor; ● Failure of a contractor to perform under its agreement; ● Interruption of operations or increased costs in the event that a contractor ceases its business due to insolvency or other unforeseen events; ● Failure of a contractor to comply with our standards and policies, as well as with applicable legal and regulatory requirements, to the extent it is responsible for such compliance; and ● Problems of a contractor with managing its workforce, labor unrest or other related employment issues. In addition, we may incur liability to third parties as a result of the actions of our contractors. The occurrence of one or more of these risks could potentially adversely affect our results of operations and financial position. If our employees or contractors engage in a strike, work stoppage or other slowdown, we could experience business disruptions and / or increased costs. As of December 31, ~~2022~~ **2023** , a number of our employees were represented by different trade unions and work councils which subject us to employment arrangements very similar to collective bargaining agreements. Further, most of our employees are based in foreign locations. The laws of certain foreign countries may place restrictions on our ability to take certain employee-related actions or may require that we conduct additional negotiations with trade unions, works councils or other governmental authorities before we can take such actions. If the employees or contractors at the Gold Bar mine, Fox Complex, or San José mine were to engage in a strike, work stoppage, or other slowdown in the future, we could experience a significant disruption of our operations. Such disruption could interfere with our business operations and could lead to decreased productivity, increased labor costs, and lost revenue. We may not be successful in negotiating new collective bargaining agreements or other employment arrangements when the current ones expire. Furthermore, future labor negotiations could result in significant increases in our labor costs. The occurrence of any of the foregoing could have a material adverse effect on our business, financial condition, and results of operations. ~~28Our~~ -- **Our** business is sensitive to nature and climate ~~conditionsA~~ -- **conditions. A** number of governments have introduced or are moving to introduce climate change legislation and treaties at the international, national, state / provincial and local levels. Regulations relating to emission levels (such as carbon taxes) and energy efficiency are becoming more stringent. If the current regulatory trend continues, this may result in increased costs at some or all of our project locations. In addition, the physical risks of climate change may also have an adverse effect on our operations and properties. Extreme weather events have the potential to disrupt our power supply, surface operations and exploration at our mines and may require us to make additional expenditures to mitigate the impact of such events. Some of the countries in which we operate have implemented, and are developing, laws and regulations related to climate change and greenhouse gas emissions. In December 2009, the United States Environmental Protection Agency (" EPA ") ~~issued~~ **29issued** an endangerment finding under the U. S. Clean Air Act that current and projected concentrations of certain mixed greenhouse gases, including carbon dioxide, in the atmosphere threaten the public health and welfare. Additionally, the United States and China signed a bilateral agreement in November 2014 that committed the United States to reduce greenhouse gas emissions by an additional 26 % to 28 % below 2005 levels by the year 2025. The EPA in August 2015 issued final rules for the Clean Power Plan under Section 111 (d) of the Clean Air Act designed to reduce greenhouse gas emissions at electric utilities in line with reductions planned for the compliance with the Paris Agreement. As part of a regulatory review, on June 19, 2019, the EPA repealed the Clean Power Plan and replaced it with the Affordable Clean Energy rule which eliminates most of the emission reduction standards included in the Clean Power Plan. That rule is now the subject of challenges in the courts. Legislation and increased regulation and requirements regarding climate change could impose increased costs on us, our venture partners and our suppliers, including increased energy, capital equipment, environmental monitoring and reporting and other costs to comply with such regulations. Mining companies are increasingly required to consider and provide benefits to the communities and countries in which they operate in order to maintain operations. Greater scrutiny on the private sector broadly and multi-national companies specifically, to contribute to sustainable outcomes in the places where they operate, has led to a proliferation of standards and reporting initiatives focused on environmental stewardship, social performance and transparency. Extractive industries, and mining in particular, have seen significant increases in stakeholder expectations. These businesses are increasingly required to meaningfully engage with impacted stakeholders ~~;~~ **, and** understand ~~and~~ **,** avoid **,** or mitigate negative impacts while optimizing economic development and employment opportunities associated with their operations. The expectation is for companies to create shared value for shareholders, employees, governments, local communities and host countries. Such expectations tend to be particularly focused on companies whose activities are perceived to have high socio-economic and environmental impacts. In response, we have developed and ~~continues~~ **continue** to evolve a system of **Environmental, Social and Governance ("** ESG **")** management that includes standards, guidance, assurance, participation in international organizations focused on improved performance and outcomes for host communities and the environment. Despite the Company' s commitment to on- going engagement with communities and stakeholders, no assurances can be provided that increased stakeholder expectations will not result in adverse financial and operational impacts to the business, including, without limitation, operational disruption, increased costs, increased investment obligations and increased taxes and royalties payable to governments. Risks Relating to Our Common StockA small number of existing shareholders own a significant portion of McEwen Mining common stock, which could limit your ability to influence the outcome of any shareholder vote. As of March ~~13~~ **15** , ~~2023~~ **2024** , Mr. McEwen beneficially owned approximately ~~17~~ **16** % of the ~~47~~ **49** . 4 million shares of McEwen Mining common stock outstanding. Under our Articles of Incorporation and the laws of the State of Colorado, the vote of the holders of a majority of the shares voting at a meeting at which a quorum is present is generally required to approve most shareholder action. As a result, Mr. McEwen will be able to significantly influence the outcome of shareholder votes for the foreseeable future, including votes concerning the election of directors, amendments to our Articles of Incorporation or proposed mergers, acquisitions or other significant corporate transactions. ~~29Our~~ **30Our** stock price may be volatile, and as a result you could lose all or part of your investment. In addition to other risk factors identified herein and to volatility associated with equity securities in general, the value of your investment could decline due to the impact of any of the following factors upon the market price of our common stock: ● Changes in the worldwide price for gold, silver and / or copper; ● Disappointing results from our exploration or production efforts; ● Producing at rates lower than targeted; ● Political and regulatory risks; ● Weather conditions, including unusually heavy rains, unusually light rains or drought; ● Failure to meet our revenue, profit goals or operating budget; ● Decline in demand for our common stock; ● Downward revisions in securities analysts' estimates or changes in general market conditions; ● Technological innovations by competitors or in competing technologies; ● Investor perception of our industry or our prospects; ● Disruption of supply and demand and other economic factors due to virus and other disease; ● Actions by government central banks; and ● General economic trends. Stock markets in general have in the past and may in the future experience extreme price and volume fluctuations. These fluctuations are often unrelated to operating performance and may adversely affect the market price of our common stock. Adverse price fluctuations may lead to threatened or actual delisting of our common stock from the NYSE. As a result, you may be unable to resell your shares at ~~a~~ **the** desired price. Failure of the Company to maintain compliance with the NYSE listing requirements could result in delisting of its common stock, which in turn could adversely affect its future financial condition and the market for its common stock. If the common stock ultimately were to be delisted for any reason, it could negatively impact the Company by (i) reducing the liquidity and market price of the Company' s common stock; (ii) reducing the number of investors willing to hold or acquire the Company' s common stock, which could negatively impact the Company' s ability to raise equity financing; (iii) limiting the Company' s ability to use a registration statement to offer and sell freely tradable securities, adversely affecting the Company' s ability to access the public capital markets; and (iv) impairing the Company' s ability to provide equity incentives to its employees. **Failure of the Company to maintain proper and effective internal controls could impair our ability to produce accurate financial statements on a timely basis, which could adversely affect the market price of our common stock. As a publicly traded company, we are required to maintain disclosure controls and procedures to ensure timely disclosure of material information to the public, and our management is required to review the effectiveness of those controls on a quarterly basis. We are also required to maintain effective internal control over financial reporting, which is a process designed by, or under the supervision of, our Chief Executive Officer and Chief Financial Officer to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with U. S. GAAP, and our independent registered public accounting firm is required each year to provide an attestation report on the effectiveness of our internal control over financial reporting, including in this Annual Report on Form 10- K. Effective internal controls are necessary for us to provide financial reports and to help us prevent fraud, and our management and other personnel devote a substantial amount of time to these compliance requirements. These requirements, however, also increase our legal and financial compliance costs and make some activities more time- consuming and costly. As disclosed in Part II – Item 9A, " Controls and Procedures, " of this Annual Report on Form 10- K, we identified a material weakness in our internal control over financial reporting. Specifically, as a result of certain non- routine transactions, primarily the timing of the deconsolidation of McEwen Copper Inc., the Company did not have a sufficient complement 31of human resources. As a result, the design and operation of its internal controls associated with judgments pertaining to aspects of non- routine and other less complex**

transactions within inventory, mineral properties, and income taxes were not sufficiently precise to ensure that conclusions were adequately analyzed, recorded, and disclosed. As a result, management concluded that our internal control over financial reporting was not effective as of December 31, 2023, which resulted in their conclusion that our disclosure controls and procedures were also not effective as of such date. A material weakness is a deficiency or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement in a company' s annual or interim financial statements will not be prevented or detected on a timely basis. We are designing and implementing a remediation plan to eliminate the material weakness and return to effective our internal control over financial reporting and disclosure controls and procedures, but our remediation efforts may be inadequate or delayed, or we may in the future discover other areas of our internal controls that require remediation. We cannot be certain that we will be able to maintain adequate controls over disclosure and financial processes and reporting in the future. If we fail to maintain effective internal controls, investors may lose confidence in the accuracy and completeness of our financial reports, the market price of our common stock may be negatively affected, and our financial position and results of operations could be harmed. The future issuances of our common stock will dilute current shareholders and may reduce the market price of our common stock. Under certain circumstances, our ~~board~~ **Board** of ~~directors~~ **Directors** has the authority to authorize the offer and sale of additional securities without the vote of or notice to existing shareholders. We may issue equity in the future in connection with capital formation, acquisitions, strategic transactions or for other purposes. Based on the need for additional capital to fund expected growth, it is likely that we will issue additional securities to provide such capital and that such additional issuances may involve a significant number of shares of our common stock. Issuance of additional securities in the future will dilute the percentage interest of existing shareholders and may reduce the market price of our common stock and any other outstanding securities. Furthermore, the sale of a significant amount of our common stock by any selling security holders, including Mr. McEwen, may depress the price of our common stock. As a result, you may lose all or a portion of your investment. ~~30General~~ -- **General** ~~RisksThe~~ **RisksWe** ~~Coronavirus pandemic could result in adverse operating results due to workforce reductions, supply and / or demand interruptions and travel restrictions. On March 11, 2020, the World Health Organization (" WHO ") declared the COVID- 19 virus a global pandemic. During late March and early April, our operations were disrupted by temporary shutdowns to protect our workforce from the spread of the virus. During the shutdown periods, rigorous policies and procedures were implemented at each site to minimize potential health and safety risks to our workforce. We continue to experience periodic disruption in our operations both due to government policies around COVID- 19 and due to incidents of illness due to the virus at our operations. This continues to adversely impact cash flows and liquidity and is expected to continue to have adverse consequences to us beyond 2022. Previously, due to slowed ramp up in production and sales in 2021, our liquidity and financial condition have been adversely affected and we are at an increased risk of not having sufficient cash flow to fund our operations as well as an increased risk of default under our debt agreement. Achieving and maintaining normal operating capacity is also dependent on the continued availability and logistical delivery of supplies, which remains out of our control. The long- term impact of the COVID- 19 outbreak on our results of operations, financial position and cash flows will depend on future developments, including the endemic characteristics, duration and spread of the outbreak and related advisories and restrictions, and the viability and success of the ongoing treatment development and worldwide vaccination roll- out. Illnesses or government restrictions, including the closure of national borders, related to COVID- 19 also may disrupt the supply of raw goods, equipment, supplies and services upon which our operations rely. We also continue to monitor legislative initiatives in the U. S., Mexico, Canada and Argentina related to COVID- 19 to determine their potential impacts or benefits (if any) to our business. Third parties with whom we conduct business, including the refiners and smelters that process and, in some cases, purchase the gold and silver doré and concentrate produced by our mines, are also subject to these risks and may be required to reduce or suspend operations, which could impact our ability to conduct our operations, advance exploration, development and expansion projects, sell our products and generate revenue. Management continues to actively monitor the global situation on our financial condition, liquidity, operations, suppliers, industry and workforce. We~~ do not insure against all risks to which we may be subject in our operations. While we currently maintain insurance policies to insure against general commercial liability claims and physical assets at our properties in the United States, Canada, Mexico and Argentina, we do not maintain insurance to cover all of the potential risks associated with our operations. We may also be unable to obtain insurance to cover other risks at economically feasible premiums or at all. Insurance coverage may not continue to be available ~~,~~ or may not be adequate to cover liabilities. We might also become subject to liability for environmental, pollution or other hazards associated with mineral exploration and production including bankruptcy of our refiners or other third **-** party contractors which may not be insured against, which may exceed the limits of our insurance coverage or which we may elect not to insure against because of premium costs or other reasons. Losses from these events may cause us to incur significant costs that could materially adversely affect our financial condition and our ability to fund activities on our property. A significant loss could force us to reduce, temporarily suspend or, in the worst case, terminate our operations. Our business is subject to the U. S. Foreign Corrupt Practices Act and similar worldwide anti- bribery laws, a breach or violation of which could lead to civil and criminal fines and penalties, loss of licenses or permits and reputational harm. We operate in certain jurisdictions that have experienced governmental and private sector corruption to some degree. The U. S. Foreign Corrupt Practices Act and anti- bribery laws in other jurisdictions generally prohibit companies and their intermediaries from making improper payments for the purpose of obtaining or retaining business or other commercial advantage. Violations of these laws, or allegations of such violations, could lead to civil and criminal fines and penalties, litigation, and loss of operating licenses or permits, and may damage our reputation, which could have a material adverse effect on our business, financial position and results of operations. There can be no assurance that our internal control ~~31policies~~ **32policies** and procedures will always protect us from recklessness, fraudulent behavior, dishonesty **,** or other inappropriate acts committed by our affiliates, employees or agents. As such, our corporate policies and processes may not prevent all potential breaches of law or other governance practices. We may not be able to operate successfully if we are unable to recruit, hire, retain and develop key personnel and a qualified and diverse workforce. In addition, we are dependent upon our employees being able to perform their jobs in a safe and respectful work environment. We depend upon the services of a number of key executives and management personnel. Our success is also dependent on the contributions of our highly skilled and experienced workforce. Our ability to achieve our operating goals depends upon our ability to recruit, hire, retain and develop qualified and diverse personnel to execute on our strategy. We are fundamentally committed to creating and maintaining a work environment in which employees are treated fairly, with dignity, decency, respect and in accordance with all applicable laws. We recognize that bullying, sexual harassment and harassment based on other protected categories, including race, have been prevalent in every industry, including the mining industry. Features of the mining industry, such as being a historically hierarchical and male-dominated culture, create risk factors for harmful workplace behavior. While we do not tolerate discrimination and harassment of any kind (including but not limited to sexual, gender identity, race, religion, ethnicity, age, or disability, among others), our policies and processes may not prevent or detect all potential harmful workplace behaviors. If we fail to maintain a safe, respectful **,** and inclusive work environment, it could impact our ability to retain talent and maintain a diverse workforce and damage our reputation. There continues to be competition over highly skilled personnel in our industry. If we lose key personnel, or one or more members of our senior management team, and we fail to develop adequate succession plans, or if we fail to hire, retain **,** and develop qualified and diverse employees, our business, financial condition, results of operations and cash flows could be harmed. Our business is dependent upon our workforce being able to safely perform their jobs, including the potential for physical injuries or illness. If we experience periods where our employees are unable to perform their jobs for any reason, including as a result of illness ~~(such as COVID- 19)~~ , our operations could be adversely affected. In addition to physical safety, protecting the psychological safety of our employees is necessary to maintaining a safe, respectful **,** and inclusive work environment. If the Company fails to maintain a safe environment that is free of harassment, discrimination **,** or bullying, it could adversely impact employee engagement, performance and productivity, result in potential legal claims and / or damage the Company' s reputation, which could have a material adverse effect on our business, financial position and results of operations or adversely affect the Company' s market value. We conduct operations in a number of foreign countries and are exposed to legal, political and social risks associated with those operations. A significant portion of our revenue in ~~2022~~ **2023** was generated by operations outside the United States. Exploration, development, production **,** and closure activities in many countries are potentially subject to heightened political and social risks that are beyond our control and could result in increased costs, capacity constraints and potential disruptions to our business. These risks include the possible unilateral cancellation or forced renegotiation of contracts in which we may, directly or indirectly, have an interest, unfavorable changes in foreign laws and regulations, royalty and tax increases (including taxes associated with the import or export of goods), risks associated with consumption taxes in Mexico, Argentina, and Canada, income tax refund recovery and collection processes in Mexico and Argentina, changes in US legislation as applicable to foreign operations, claims by governmental entities or indigenous communities, expropriation or nationalization of property and other risks arising out of foreign sovereignty over areas in which we conduct our operations. The right to import and export gold and silver may depend on obtaining certain licenses and quotas, which could be delayed or denied at the discretion of the relevant regulatory authorities ~~,~~ or could become subject to new taxes or duties imposed by U. S. or foreign jurisdictions, which could have a material adverse effect on our business, financial condition, or future prospects. In addition, our rights under local law may be less secure in countries where the rule of law is less robust and judicial systems may be susceptible to manipulation or influence from government agencies, non- governmental organizations **,** or civic groups. Any of these developments could require us to curtail or terminate operations at our mines, incur significant costs in renegotiating contracts and meeting newly- imposed environmental or other standards, pay greater royalties or higher prices ~~32for~~ **33for** labor or services and recognize higher taxes, or experience significant delays or obstacles in the recovery of consumption taxes or income tax refunds owed, which could materially and adversely affect our financial condition, results of operations and cash flows. Our ongoing and future success depends on developing and maintaining productive relationships with the communities, including indigenous peoples, and other stakeholders in our operating locations. Notwithstanding our ongoing efforts, local communities and stakeholders can become dissatisfied with our activities or the level of benefits provided, which may result in civil unrest, protests, direct action or campaigns against us. Any such occurrences could materially and adversely affect our financial condition, results of operations and cash flows. Our business could be negatively impacted by security threats, including cybersecurity threats, and other disruptions. We face various security threats, including attempts by third parties to gain unauthorized access to sensitive information or to render data or systems unusable; threats to the safety of our employees; threats to the security of our infrastructure; and threats from terrorist acts. There can be no assurance that the procedures and controls we use to monitor and mitigate our exposure to these threats will be sufficient in preventing them from materializing. If any of these events were to materialize, they could lead to losses of sensitive information, critical infrastructure, personnel **,** or capabilities essential to our operations and could have a material adverse effect on our reputation, financial condition, results of operations, or cash flows. Our business partners' technologies, systems and networks may become the target of cyber- attacks or information security breaches that could result in the unauthorized release, gathering, monitoring, misuse, loss or destruction of proprietary and other information, theft of property or other disruption of our business operations. In addition, certain cyber incidents, such as surveillance, may remain undetected for an extended period. A cyber incident involving our business partners' information systems and related infrastructure could disrupt our business plans and negatively impact our operations. Although to date we have not experienced any significant **cyberattacks** ~~cyber- attacks~~ , there can be no assurance that we will not be the target of such attacks in the future. As cyber threats continue to evolve, we may be required to expend significant additional resources to continue to modify or enhance our protective measures or to investigate and remediate any security vulnerabilities. **Environmental, social and governance matters may impact our business and reputation. Since 2015, we have published annual sustainability reports for our El Gallo operations, which highlights our**

key achievements, metrics and ESG strategy in Mexico. Since 2020, our joint venture partner, Hochschild plc, has also published annual sustainability reports. Our El Gallo sustainability report includes our policies and practices on a variety of ESG matters, including water management and preservation; recycling; diversity, equity, and inclusion (" DEI "); employee health and safety; and human capital management. In addition, our business faces increasing scrutiny related to ESG issues, including sustainable development, renewable resources, environmental stewardship, supply chain management, climate change, DEI, workplace conduct, human rights, philanthropy and support for local communities. Implementation of our environmental and sustainability initiatives will require financial expenditures and employee resources. In addition to the changing rules and regulations related to ESG matters imposed by governmental and self-regulatory organizations such as the SEC and the New York Stock Exchange, a variety of third- party organizations and institutional investors evaluate the performance of companies on ESG topics, and the results of these assessments are widely publicized. These changing rules, regulations and stakeholder expectations have resulted in, and are likely to continue to result in, increased general and administrative expenses and increased management time and attention spent complying with or meeting such regulations and expectations. Reduced access to or increased cost of capital may occur as financial institutions and investors increase expectations related to ESG matters. Developing and acting on initiatives within the scope of ESG, and collecting, measuring and reporting ESG- related information and metrics can be costly, difficult and time consuming and is subject to evolving reporting standards. We may also communicate certain initiatives and goals, regarding environmental matters, diversity, social investments and other ESG- related matters, in our SEC filings or in other public disclosures. These initiatives and goals within the scope 34of ESG could be difficult and expensive to implement, the technologies needed to implement them may not be cost effective and may not advance at a sufficient pace, and we could be criticized for the accuracy, adequacy or completeness of the disclosure. Furthermore, statements about our ESG- related initiatives and goals, and progress against those goals, may be based on standards for measuring progress that are still developing, internal controls and processes that continue to evolve and assumptions that are subject to change in the future. In addition, we could be criticized for the scope or nature of such initiatives or goals, or for any revisions to these goals. If our ESG- related data, processes and reporting are incomplete or inaccurate, or if we fail to achieve progress with respect to our goals within the scope of ESG on a timely basis, or at all, our reputation, business, financial performance and growth could be adversely affected. Several of our directors and officers are residents outside of the United States, and it may be difficult for shareholders to enforce within the United States any judgments obtained against such directors or officers. Several of our directors and officers are nationals and / or residents of countries other than the United States, and all or a substantial portion of such persons' assets are located outside of the United States. As a result, it may be difficult for investors to effect service of process on such directors and officers ~~,~~ or enforce within the United States any judgments obtained against such directors and officers, including judgments predicated upon the civil liability provisions of the securities laws of the United States or any state thereof. Consequently, shareholders may be effectively prevented from pursuing remedies against such directors and officers under United States federal securities laws. In addition, shareholders may not be able to commence an action in a Canadian court predicated upon the civil liability provisions under United States federal securities laws. The foregoing risks also apply to those experts identified in this report that are not residents of the United States. The laws of the State of Colorado, our Articles of Incorporation and agreements with certain officers and directors may protect our directors from certain types of lawsuits. The laws of the State of Colorado provide that our directors will not be liable to us or our shareholders for monetary damages for all but certain types of conduct as directors of the Company. Our Articles of Incorporation permit us to indemnify our directors and officers against all damages incurred in connection with our business to the fullest extent provided or allowed by law, including through stand- alone indemnity agreements. We have also entered into indemnification agreements with our executive officers and directors which require that we indemnify them against certain liabilities incurred by them in their capacity as such. The exculpation provisions may have the effect of preventing shareholders from recovering damages against our directors caused by their negligence, poor judgment **,** or other ~~33circumstances~~ -- **circumstances** . The indemnification provisions may require us to use our limited assets to defend our directors and officers against claims, including claims arising out of their negligence, poor judgment, or other circumstances. We may be required to write down certain long- lived assets, due to metal prices, operational challenges **,** or other factors. Such write- downs may adversely affect ~~our~~ **the** results of **our** operations and financial condition. We review our long- lived assets for recoverability pursuant to the Financial Accounting Standard Board' s Accounting Standards Codification Section 360. Under that standard, we review the recoverability of our long- lived assets, such as our mining properties, quarterly or upon a triggering event. Such **a** review involves estimating the future undiscounted cash flows expected to result from the use and eventual disposition of the asset. Impairment, measured by comparing an asset' s carrying value to its fair value, must be recognized when the carrying value of the asset exceeds these cash flows. We conduct a review of the financial performance of our mines in connection with the preparation of our financial statements for each reported period and determine whether any triggering events are indicated. For example, during the first quarter of 2020, we performed a comprehensive analysis of the Gold Bar mine and the related long- lived assets and determined that indicators of impairment existed, and we ultimately concluded that the carrying value of the long- lived assets for the Gold Bar mine were impaired, and a non- cash impairment charge of $ 83. 8 million was recorded during the first quarter of 2020. If there are further significant and sustained declines in relevant metal prices, or if we fail to control production and operating costs or realize the mineable ore reserves at our mining properties, we may terminate or suspend mining operations at one or more of our properties. These events could require a further write- down of the carrying value of our assets. Any such actions would adversely affect ~~our~~ **the** results of **our** operations and financial condition. **35** ~~We may record other types of charges in the future if we sell a property or asset for a price less than its carrying value or have to increase reclamation liabilities in connection with the closure and reclamation of a property. Any additional write- downs of mining properties or other assets could adversely affect our results of operations and~~

~~financial condition. A significant delay or disruption in sales of concentrates or doré as a result of the unexpected disruption in services provided by smelters or refiners or other third parties could have a material adverse effect on our results of operations. We rely on refiners and smelters to refine and process and, in some cases, purchase, the gold and silver doré and concentrate produced by our mines or the mines in which we have an interest. Access to refiners and smelters on economical terms is critical to our ability to sell our products to buyers and generate revenues. We have existing agreements with refiners and smelters, some of which operate their refining or smelting facilities outside the United States. We believe we currently have contractual arrangements with a sufficient number of refiners and smelters so that the loss of any one refiner or smelter would not significantly or materially impact our operations or our ability to generate revenues. Nevertheless, services provided by a refiner or smelter may be disrupted by new or increased tariffs, duties or other cross- border trade barriers, shipping delays, the bankruptcy or insolvency of one or more refiners or smelters or the inability to agree on acceptable commercial or legal terms with a refiner or smelter. Such an event or events may disrupt an existing relationship with a refiner or smelter or result in the inability to create (or the necessity to terminate) a contractual relationship with a refiner or smelter, which may leave us with limited, uneconomical or no access to refining or smelting services for short or long periods of time. Epidemics, pandemics or natural disasters may also impact refiners, smelters or other third parties with which we have contractual arrangements or have an indirect effect on our ability to obtain refining, smelting or other third- party services. Any delay or loss of access to refiners or smelters may significantly impact our ability to sell doré and concentrate products and generate revenue. A default by a refiner or smelter on its contractual obligations to us or an insolvency event or bankruptcy filing by a refiner or smelter may result in the loss of all or part of our doré or concentrate in the possession of the refiner or smelter, and such a loss likely would not be insured by our insurance policies. We cannot ensure that alternative refiners or smelters would be available or offer comparable terms if the need for them were to arise or that it would not experience delays or disruptions in sales that would materially and adversely affect results of operations. 34~~