



How small-scale gold mining works

An industry primer for investors and their advisers · As of October 23, 2026

Why this document exists

Most investors know gold as a price on a screen, not as a business. This summary explains in plain terms how a gold project moves from a mining claim to production, where the money and the risk sit, and what has changed in the industry in recent years. It is general background. It does not describe the expected results of any Triple 8 property, and it is not a reason to invest. Any investment in Triple 8 Mines, Inc. is made only under its confidential private placement memorandum, which governs.

The short version

- A mining claim is a right to explore and develop minerals on a piece of ground. It is not proof that gold is there in a quantity that can be mined at a profit.
- Value is created step by step: sampling, drilling, testing and, eventually, a technical report signed by a Qualified Person. Each step can confirm or end a project. Most exploration projects never reach production.
- A mine's result is roughly the ounces it recovers times the gold price, minus the cost of moving and processing rock, permits, reclamation, royalties and overhead. Grade, recovery and scale matter as much as price.
- The price of gold has risen sharply since 2020, driven in part by historically high central-bank buying. Mining costs have risen too, and prices can fall as fast as they rose.
- Better tools now make finding and testing ground cheaper and faster, and federal policy has moved to speed up mineral permitting. Neither puts gold in the ground or guarantees a permit.
- U.S. production is concentrated in a small number of large mines. Many smaller claims are held by individuals and families who lack the capital and expertise to advance them. That gap is what Triple 8 is organized to address.

From claim to production

Every gold project follows roughly the same path. A project can stop at any stage, and each stage costs more than the one before it.

STAGE	WHAT HAPPENS	WHAT IT PRODUCES	MAIN RISK
1. Acquire	Stake new claims, or buy, option or partner on existing ones. Title and maintenance history are checked.	Recorded claims in good standing	Title defects; lapsed fees
2. Explore	Mapping, surface sampling, geophysics and review of any historical work.	Targets worth drilling or testing	Nothing worth pursuing is found
3. Drill and test	Drilling (lode) or test pits and bulk samples (placer); assays and metallurgical tests.	Data on grade, continuity and recovery	Grades too low or too erratic

STAGE	WHAT HAPPENS	WHAT IT PRODUCES	MAIN RISK
4. Technical report	A Qualified Person evaluates the data under the SEC's S-K 1300 rules.	Exploration results; later, mineral resources and, with economics, reserves	No resource can be stated
5. Permit and finance	Environmental review, operating permits, water rights and a reclamation bond; raising capital to build.	Approvals and funding	Delays, litigation, dilution
6. Build and produce	Equipment, a processing plant and site works; mining and recovery begin.	Ounces recovered and sold	Cost overruns; lower recovery than tested
7. Reclaim and close	Disturbed ground is reclaimed to the standard the permits require.	Release of the reclamation bond	Liabilities that outlast production

Under S-K 1300, a company may not disclose mineral resources or reserves unless a Qualified Person has prepared a technical report summary that supports them. A company with no mineral reserves, like Triple 8 today, is an exploration-stage issuer.

Placer and lode: two kinds of gold deposit

	PLACER	LODE
Where the gold is	Loose gold in sand and gravel, moved and concentrated by water over time	Locked in solid rock, usually in veins or zones with quartz and sulfides
How it is mined	Gravel is excavated and washed; gold is recovered by gravity (sluices, jigs, concentrators)	Rock is drilled, blasted and crushed; gold is recovered by gravity, flotation or leaching
Capital and scale	Can start smaller, with mobile equipment	Usually needs more capital, a mill and longer study
Key questions	Gravel volume, grade, water supply, depth to bedrock	Vein width and continuity, grade at depth, metallurgy
Triple 8	Four of the 49 AMI placer claims (AMI 05-08), Glendale, Clark County, Nevada	Up to 86 Buckingham lode claims being staked, Mariposa County, California

Where the money goes

At its simplest, a mine earns the ounces it recovers multiplied by the price it sells them at. Against that it pays to:

- move material: excavation, hauling, fuel and equipment;
- process it: crushing, washing and recovery, plus water and power;
- stay in business: labor, maintenance, sustaining capital, insurance and overhead;
- meet obligations: royalties, claim fees, permits, monitoring, reclamation and bonding.

Three technical factors usually decide whether a deposit can be mined at a profit: grade (how much gold per ton), recovery (how much of it the process actually captures) and scale (how much material can be moved and processed each day). A high gold price helps, but it does not rescue a deposit that is too small, too low in grade or too hard to process.

For context, the World Gold Council reports that the industry's average all-in sustaining cost (AISC), a standard measure of the cost to keep producing an ounce, was about **\$1,605 per ounce in the third quarter of 2025** and about **\$1,785 in the first quarter of 2026**, up 16% year on year. These averages come mostly from large producers. Costs at any single mine, large or small, can be much higher or lower, and they are not an estimate for any Triple 8 property.

What has changed

THE GOLD PRICE

PERIOD	AVERAGE PRICE (US\$ PER TROY OUNCE)	NOTE
2020	\$1,770	LBMA annual average
2022	\$1,800	LBMA annual average
2023	\$1,941	LBMA annual average
2024	\$2,386	LBMA annual average
2025	\$3,432	LBMA annual average
October 19, 2026	~\$4,138	Spot price that day (gold-api.com)

Past prices do not predict future prices. Gold has had long periods of falling or flat prices, and a mine planned at today’s price may operate at a lower one.

WHO IS BUYING

Central banks have become major buyers. The World Gold Council reports net central-bank purchases of more than 1,000 tonnes in each of 2022, 2023 and 2024 and **863 tonnes in 2025**, against an average of **473 tonnes a year from 2010 to 2021**. Investment demand has also been strong. Demand of this kind can slow or reverse.

SUPPLY AND COSTS

World mine production was about **3,672 tonnes in 2025**, at or near a record, according to the World Gold Council. New large discoveries have become harder to find, and costs have risen with labor, energy, royalties and equipment. A higher price has therefore not flowed through to producers in full.

TECHNOLOGY

The biggest practical change for small projects is the cost of finding and testing ground. Drone and satellite surveys, lidar mapping, GPS and GIS records, portable assay instruments, smaller and more accurate drill rigs, and modular gravity-recovery plants with water recycling all make it cheaper to learn what a claim holds, and to run a small operation more efficiently. Technology improves the odds of making good decisions early. It does not change what is in the ground.

PERMITTING AND POLICY

On federal land, exploration that disturbs less than five acres generally needs a notice to the Bureau of Land Management; larger work needs an approved plan of operations. Either requires a financial guarantee (a bond) covering the full estimated cost of reclamation before work starts. In March 2025, **Executive Order 14241** directed federal agencies to expedite mineral production projects and expressly listed gold among the minerals covered. How much faster permits actually become remains to be seen, especially in states with their own extensive reviews. In California, for example, mining also requires a reclamation plan under the state’s Surface Mining and Reclamation Act (SMARA) and environmental review under the California Environmental Quality Act (CEQA).

THE SMALL-CLAIM GAP

According to the U.S. Geological Survey, the United States produced an estimated 160 tonnes of gold in 2025, mostly from Nevada (about 64%) and Alaska (about 22%), and the top 25 operations produced about 94% of it. Alongside those mines sit many smaller placer and lode claims, often held by individuals and families who keep them in good standing year after year but cannot fund the drilling, testing and technical reports needed to show what they hold. Bringing capital and technical

work to that ground is the idea behind Triple 8’s business. Whether any particular claim proves worth developing can only be learned through the work described above.

Why small projects fail

An honest picture includes the reasons most projects never become mines:

- The gold is not there in sufficient grade, volume or continuity, or it cannot be recovered economically.
- Testing costs more or takes longer than planned, and money runs out before results are clear.
- Permits are delayed, conditioned or denied, or are challenged in court; water rights are unavailable.
- Costs rise or the gold price falls between planning and production.
- Title problems, missed fees or disputes with neighbors or partners undermine the claims themselves.
- Raising capital dilutes existing owners, or capital is not available on acceptable terms.
- Reclamation and environmental obligations outlast production and exceed the funds set aside.

These risks apply to every exploration-stage company, including Triple 8. The Company’s own risks are set out in the Risk Factors section of its private placement memorandum.

Where Triple 8 fits

Triple 8 Mines, Inc. is a Wyoming corporation formed on June 10, 2026. It is an exploration-stage issuer with no producing mines, no current mineral resources or reserves under S-K 1300 or any other recognized standard, and no revenue. It holds four of the 49 AMI placer claims at Glendale, Clark County, Nevada, which are to be mined as a single operation; the transfer filing with the Bureau of Land Management is in progress. In Mariposa County, California, up to 86 Buckingham lode claims are being staked; once of record they will be held by 999 Mines, LLC, a wholly owned subsidiary. Over the longer term, where the results of technical work and economic studies support it, the Company intends to advance claim groups toward development and production, itself or with operating partners, and it is preparing for a possible public listing, which is not assured. Any such step requires further studies, permits and financing, and may not occur. The Company’s properties, the terms of its offering and its risks are described in its private placement memorandum, which governs.

A short glossary

TERM	MEANING
Unpatented claim	A right, located under federal mining law, to explore and develop minerals on federal land. The land stays federal; an annual BLM fee, or a valid small miner waiver, keeps the claim in good standing.
Placer / lode	Gold in loose sediment / gold in solid rock.
Assay	A laboratory test of how much gold a sample contains.
Grade	The amount of gold per unit of material, for example grams per tonne or ounces per ton.
Recovery	The share of the gold in the material that the process actually captures.
AISC	All-in sustaining cost: a standard industry measure of the cost to keep producing one ounce.
Qualified Person (QP)	Under S-K 1300, a mineral industry professional with at least five years of relevant experience who is a member or licensee in good standing of a recognized professional organization, and who is responsible for technical disclosure.
S-K 1300	The SEC’s rules for disclosing mining properties, including when resources and reserves may be stated.

TERM	MEANING
Resource / reserve	A resource is an estimate of mineralization with reasonable prospects of economic extraction. A reserve is the part shown to be economically mineable under a pre-feasibility or feasibility study.

Sources

LBMA gold price annual averages, via MetalCharts (metalcharts.org/gold-price-history/2020s). Spot price for October 19, 2026: gold-api.com, the same source and date used in the Company's investor presentation.

World Gold Council, Gold Demand Trends Full Year 2025: central banks and supply (gold.org/goldhub/research/gold-demand-trends). World Gold Council, "Record gold prices outpace rising mining costs in Q1'26" (gold.org/goldhub/gold-focus, August 2026).

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Bureau of Land Management, Financial Guarantees under 43 CFR 3809 (blm.gov). Executive Order 14241, Immediate Measures to Increase American Mineral Production, 90 Fed. Reg. 13673 (March 25, 2025).

SEC Regulation S-K, subpart 1300 (17 CFR 229.1300–229.1305).

Important notice

This summary is general information about the gold mining industry, provided for information only. It is not an offer to sell, or a solicitation of an offer to buy, any security. Any offer is made only by the Company's confidential private placement memorandum and subscription documents, which govern in the event of any difference. It contains no projection of results for any Company property. Market data are from the third-party sources listed, as of the dates shown, and have not been independently verified. Past prices and industry results do not predict future results. An investment in the Company is highly speculative and involves substantial risk of loss, including the loss of the entire investment. See "Risk Factors" in the memorandum.