MANAGEMENT'S DISCUSSION & ANALYSIS

For the three and nine-month periods ended
December 31, 2024
(3rd Quarter)

CERRO DE PASCO RESOURCES

This Management Discussion and Analysis ("MD&A") of Cerro de Pasco Resources Inc., ("Cerro de Pasco Resources" or "CDPR" or the "Company") follows rule 51-102 of the Canadian Securities Administrators regarding continuous disclosure.

The following MD&A is a narrative explanation, through the eyes of the management of Cerro de Pasco Resources, on how the Company performed during the three and nine-month periods ended December 31, 2024. It includes a review of the Company's financial condition and review of operations for the three-month and nine-month period ended December 31, 2024, as compared to the three-month and nine-month period ended December 31, 2023.

This MD&A complements the condensed interim consolidated financial statements for the three-month and nine-month periods ended December 31, 2024 but does not form part of them. It is intended to help the reader understand and assess the significant trends, risks and uncertainties related to the results of operations and it should be read in conjunction with the condensed interim consolidated financial statements as of December 31, 2024 and related notes thereto as well as the audited annual consolidated financial statements, accompanying notes and Management's Discussion and Analysis for the period ended March 31, 2024.

The condensed interim consolidated financial statements for the three-month and nine-month periods ended December 31, 2024, and 2023 have been prepared in accordance with the International Financial Reporting Standards ("IFRS") applicable to the preparation of interim consolidated financial statements. The accounting policies applied in the financial statements are based on IFRS issued and effective as of December 31, 2024. On February 14, 2025, the Audit Committee of the Board of Directors approved for issuance, the condensed interim consolidated financial statements for the three-month and nine-month period ended December 31, 2024.

All figures are in United States Dollars unless otherwise stated. Additional information relating to the Company can be found on SEDAR+ at www.sedarplus.ca. The shares of Cerro de Pasco Resources are listed on the Canadian Securities Exchange ("CSE") under the symbol "CDPR".

REPORT'S DATE

The MD&A was prepared with the information available as of February 14, 2025.

CAUTION REGARDING FORWARD-LOOKING INFORMATION

This MD&A contains forward-looking statements that are based on the Company's expectations, estimates and projections regarding its business, the mining industry in general and the economic environment in which it operates as of the date of the MD&A. To the extent that any statements in this document contain information that is not historical, the statements are essentially forward-looking and are often identified by words such as "anticipate", "expect", "estimate", "intend", "project", "plan" and "believe". In the interest of providing shareholders and potential investors with information regarding Cerro de Pasco Resources, including management's assessment of future plans and operations, certain statements in this MD&A are forward-looking and are subject to the risks, uncertainties and other important factors that could cause the Company's actual performance to differ materially from that expressed in or implied by such statements. Such factors include, but are not limited to: volatility and sensitivity to market metal prices, impact of change in foreign currency exchange rates and interest rates, imprecision in reserve estimates, environmental risks including increased regulatory burdens, unexpected geological conditions, adverse mining conditions, changes in government regulations and policies, including laws and policies; and failure to obtain necessary permits and approvals from government authorities, and other development and operating risks. The preliminary assessments contained in the Technical Report referred to in this MD&A, and the estimates contained therein to date are preliminary in nature and are based on a number of assumptions, any one of which, if incorrect, could materially change the projected outcome.

Although the Company believes that the expectations conveyed by the forward-looking statements are based upon information available on the date that such statements were made, there can be no assurance that such expectations will prove to be correct. The reader is cautioned not to rely on these forward-looking statements. The Company disclaims any obligation to update these forward-looking statements unless required to do so by applicable Securities laws. All subsequent forward-looking statements, whether written or orally attributable to the Company or persons acting on its behalf, are expressly qualified in their entirety by these cautionary statements.

NATURE OF ACTIVITIES

Cerro de Pasco Resources Inc. and its subsidiaries (hereafter the "Company" or "Cerro de Pasco Resources" or "CDPR") is focused on the development of its principal 100% owned asset, the El Metalurgista mining concession, comprising silver-rich mineral tailings and stockpiles extracted over a century of operation from the Cerro de Pasco open pit mine in Central Peru. The company's approach at El Metalurgista entails the reprocessing and environmental remediation of mining waste and the creation of numerous opportunities in a circular economy. The asset is one of the world's largest above-ground resources.

The Company has a multi-pronged strategy to leverage its unparalleled knowledge of the challenges and opportunities presented by the mineral endowment within the city of Cerro de Pasco.

- **Quiulacocha Tailings Reprocessing Project**

  CDPR is the titleholder of the concession located in Peru called "El Metalurgista", which grants it the right to explore and exploit the Quiulacocha Tailings located within its assigned area. The enforceability of these rights has been formally confirmed by the General Mining Bureau of Peruvian Ministry of Energy and Mines.

  The Quiulacocha Tailings Storage Facility covers approximately 115 hectares and is estimated to hold approximately 75 million tonnes of material processed from the 1920s to 1990s.

  Initially these tailings resulted from the mining of 16+ million tonnes of copper-silver-gold mineralization with reported historical grades of up to 10% Cu, 4 g/t Au and over 300 g/t Ag and later from the mining of 58+ million tonnes of zinc-lead-silver mineralized material with average historical grades of 7.41% Zn, 2.77% Pb and 90.33 g/t Ag.

  With minimal mining costs due to surface-level material and current reprocessing capacity at adjacent plants, CDPR's Quiulacocha Project stands out as one of Peru's key mining initiatives. This endeavor not only promises economic benefits but also aims to restore the environment and create employment opportunities, aligning with the local community's needs.

  On May 28, 2024, CDPR was granted a long-awaited land easement which will enable the company to begin its drilling and engineering program. The drilling program is part of a phase one development plan which will include, sampling, geochemistry, mineralogy studies, metallurgy, resource estimation and economic assessment.

BUSINESS DEVELOPMENT HIGHLIGHTS (THIRD QUARTER ENDING DEC 31, 2024)

- **Convertible Debenture Partial Conversion**

  On October 10, 2024, the Company converted CA$250,000 of the outstanding indebtedness of the Convertible Note Holder under the Amended and Restated Investment Agreement dated July 31, 2024. To this effect 1,666,666 common were issued in favor of the Convertible Note Holder.

- **Initial Assay Results from Quiulacocha Drilling Campaign**

  On October 15, 2024, the Company reported that its 40-hole, Phase 1 drilling program at the Quiulacocha Tailings Project ("QT Project") was nearing completion and made available the results of its initial Drillhole SPT04. Drillhole SPT04 intersected 19 meters at 1.91 Oz/t (59.5 g/t) Ag, 1.80% Zn, 0.77% Pb, 0.07% Cu and 0.07 g/t Au. For more details, please see the Company's press release dated October 15, 2024, or the section of the MDA pertaining to the El Metalurgista – Quiulacocha TSF.

- **Convertible Debenture Full Conversion**

  On October 25, 2024, the Company converted the outstanding balance of CA$1,168,998.58 of the Convertible Note Holder under the Amended and Restated Investment Agreement dated July 31, 2024. To this effect 7,793,323 common were issued in favor of the Convertible Note Holder. Through this conversion the full outstanding balance due to the Convertible Note holder has been settled.

- **Commencement of Trading on OTCQB**

On October 31, 2024, the Company announced that it has successfully uplisted from the OTC Pink Market to the OTCQB Venture Market (the "OTCQB"). The Company's common shares commenced trading on the OTCQB under the trading symbol: GPPRF. Investors will now be able to obtain the latest financial disclosure and Real-Time Level 2 quotes for the Company on www.otcmarkets.com The common shares of the Company will continue to trade on the Canadian Securities Exchange under the symbol "CDPR" and the Frankfurt Stock Exchange under the symbol " N8HP ").

- **Closing of $15 Million Brokered Private Placement**

On November 27, 2024, the Company announced the closing of previously announced private placement, led by SCP Resource Finance LP (the "**Agents**"), of 33,333,333 units of the Company (each, a "Unit") at a price of $0.30 per Unit (the "Offering Price") for gross proceeds of $10,000,000 (the "**LIFE Offering**"), on a private placement basis, pursuant to the Listed Issuer Financing Exemption under Part 5A of National Instrument 45-106 – Prospectus Exemptions ("**NI 45-106"**).

In addition to the Units offered in connection with the LIFE Offering, the Company also closed a concurrent brokered private placement of 15,633,334 Units at the Offering Price, (the "**Concurrent Brokered Private Placement**" and together with the LIFE Offering, the "**Brokered Offering**") and a concurrent non-brokered private placement of 1,033,333 Units at the Offering Price (the "**Non-Brokered Private Placement**" and collectively with the LIFE Offering and the Concurrent Brokered Private Placement, the "Offerings") for additional gross proceeds to the Company of $5,000,000.

Each Unit consists of (i) one common share in the capital of the Company (a "**Common Share**") and (ii) one half of one Common Share purchase warrant (each whole warrant, a "**Warrant**"). Each Warrant entitles its holder to acquire one Common Share (a "**Warrant Share**") at a price of $0.50, for a period of 24 months.

As consideration for their services, the Agents received (i) a cash fee in an amount equal to 6 % of the gross proceeds of the Brokered Offering (subject to reduction with respect to sales made to investors on the President's List); (ii) non-transferable warrants (the "**Agent Warrants**") representing 6.0% of the aggregate number of Units issued pursuant to the Brokered Offering (subject to reduction with respect to sales made to investors on the President's List); and (iii) a corporate finance fee comprised of $18,600 and 62,000 Agent Warrants. Each Agent Warrant entitles its holder to purchase one Unit at the Offering Price for a 24-month period.

For more details, please see the Company's press releases dated November 19, 2024

- **Completion of the 40-hole, Phase 1 drilling program at the QT Project, and Ongoing Assay Results**

On December 3, 2024, the Company reported that the 40-hole Phase 1 drilling program was completed on October 23rd, and reported 177 assay results from nine drill holes. Each drill hole intersected depths between 14 and 25 meters at average grades above 1.51 Oz/t (47.03 g/t) Ag, 1.30% Zn, 0.67% Pb, 0.05% Cu and 0.04 g/t Au. These results showed consistent metal content at depth and laterally across the drilled area, with the finding of gallium, a critical strategic metal for advanced military technologies, at an average grade of 34.6 g/t and up to 144 g/t. For more details, please see the Company's press release dated December 3, 2024.

- **Ongoing Assay Results from Quiulacocha Drilling Campaign**

On December 18, 2024, the Company reported 132 assay results from seven drill holes. Each drill hole intersected depths between 15 and 22 meters at average grades above 1.62 Oz/t (50.27 g/t) Ag, 1.28% Zn, 0.65% Pb, 0.04% Cu and 0.04 g/t Au. These results showed consistent metal content at depth and laterally across the drilled area, and confirmed the increasing gallium content towards the South, with drillhole SPT38 intersecting 18 meters at 55.7 g/t Ga. For more details, please see the Company's press release dated December 18, 2024.

- **Warrants Exercise**

During the Quarter, a total of a total of 1,937,580 warrants were exercised at $0.25 per warrant, generating proceeds of $484,395. Additionally, 675,000 warrants were exercised at $0.15 per warrant, generating proceeds of $101,250.

BUSINESS DEVELOPMENT HIGHLIGHTS SUBSEQUENT EVENTS

- **Ongoing Assay Results from Quiulacocha Drilling Campaign**

On January 7, 2025, the Company reported 212 assay results from eight drill holes. Each drill hole intersected depths between 16 and 31 meters at average grades above 1.37 Oz/t (42.65 g/t) Ag, 1.22% Zn, 0.81% Pb, 0.08% Cu and 0.05 g/t Au. These results showed consistent metal content at depth and laterally across 800 meters of the drilled area, with increasing lead and gallium content towards the South where the grades exceed 1% Pb and 100 g/t Ga in some samples. In addition, the drill holes intersected Cu-Ag-Au tailings with grades reaching 0.53% Cu, 0.45 g/t Au, and 95.8 g/t Ag, with thicker layers and higher grades concentrated in the southern part of the drilled area. For more details, please see the Company's press release dated January 7, 2025.

- **Ongoing Assay Results from Quiulacocha Drilling Campaign**

On February 4, 2025, the Company reported 179 assay results from eight drill holes. Each drill hole intersected depths between 17 and 32 meters at average grades above 1.50 Oz/t (46.79 g/t) Ag, 1.18% Zn, 0.64% Pb, 0.06% Cu and 0.05 g/t Au. These results showed consistent metal content at depth and laterally across 1,000 meters of the drilled area, confirming higher lead and gallium content towards the South. In addition, the drill holes intersected thicker layers of Cu-Ag-Au tailings with significant 9- and 16-meter-thick sections containing above 0.1% Cu. For more details, please see the Company's press release dated February 4, 2025.

With the consolidated 700 assay results from the 32 drill holes reported in Q4 2024 and Q1 2025, the Company confirmed the significance and continuity of the metal content in the silver-zinc-lead zone of the Quiulacocha tailings and also discovered a potential upside with the gallium content exceeding 100 g/t in some intersects and showing close correlation with lead. In addition, the drill holes intersected layers of Cu-Ag-Au tailings at the base of the deposit.

- **Warrants & Options Exercise**

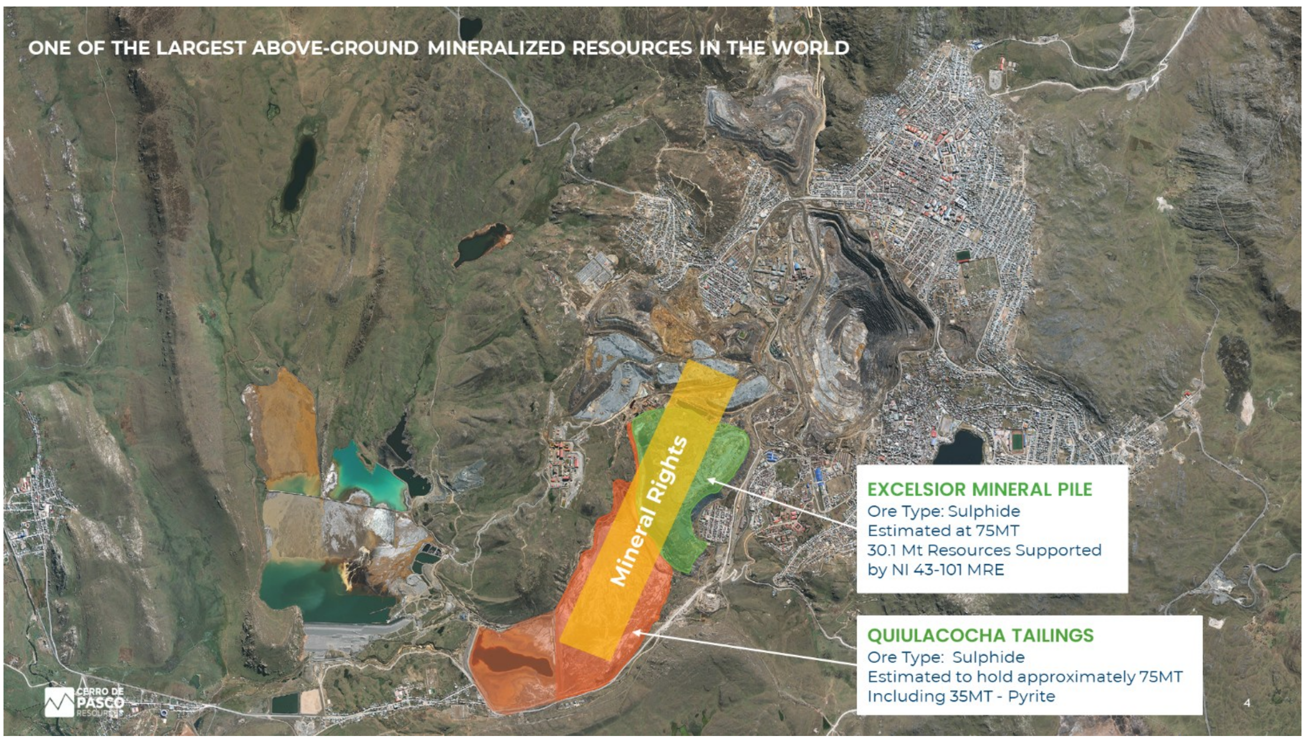
Between January and mid-February 2025, a total of 1,501,000 warrants were exercised at $0.25 per warrant, generating proceeds of $375,250. Additionally, 75,000 warrants were exercised at $0.15 per warrant, generating proceeds of $11,250.

In February 2025, 150,000 options were exercised at $0.20 per option, for proceeds of $30,000.

The Quiulacocha Tailings and Excelsior Stockpile

➢ **Highlights**

- Unique location at the center of a historic mining cluster undergoing a process of consolidation in Cerro de Pasco.
- Significant scale with 150 million tons of material and massive overground resource.
- The portion of the Excelsior stockpile lying within the El Metalurgista concession, contains 42.9 million ounces of silver inferred with NI 43-101 certification at the outset, with significant upside.
- Strong social license and support from local authorities combined with commitment to ESG principles.
- Unique management team with profound knowledge of Cerro de Pasco.
- Near term production objectives and low initial capital requirements based on conservative assumptions.



- **El Metalurgista – Quiulacocha TSF – Quiulacocha Tailings Project**
  - CDPR holds 100% interest in the El Metalurgista mining concession (95.74 ha) incorporating mineral rights covering 57 ha of the Quiulacocha Tailings Storage Facility.
  - Located approximately 175 km NNE of the city of Lima in the Region of Pasco, Peru.
  - Roads accessible, power grid, abundant water, adjacent to operational processing facility.
  - Tailings produced during processing of mineral mined from the Cerro de Pasco Mine which hosts complex epithermal polymetallic mineralized system of the type known as Cordilleran base-metal deposit.
  - Development Stage

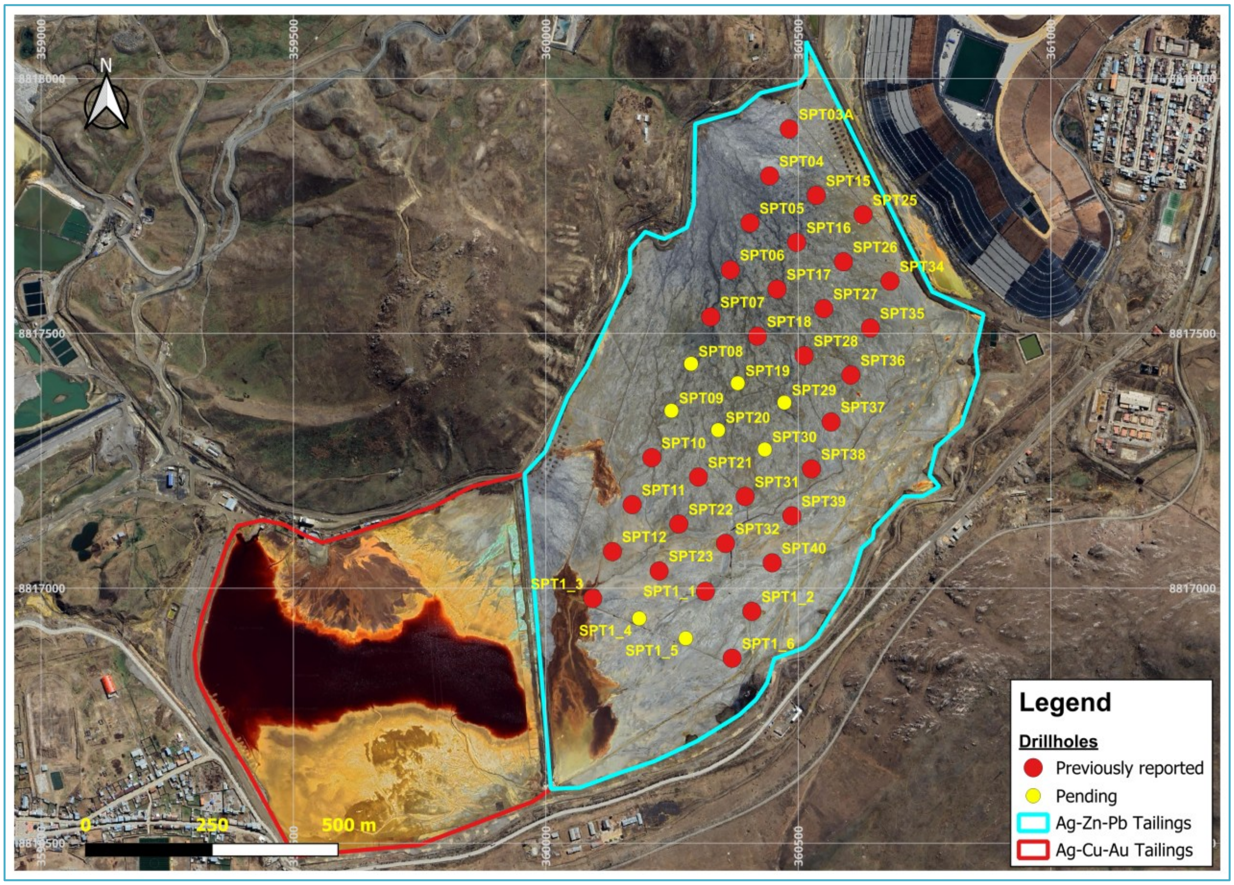
The tailings stored in the TSF, comprised of processing residues, come from the Cerro de Pasco open pit and underground mine. Initially these tailings resulted from the mining of copper-silver-gold mineralization with reported historical head grades of up to 10% Cu, 4 g/t Au and over 300 g/t Ag and later from the mining of zinc-lead-silver mineralized material with average historical grades of 7.41% Zn, 2.77% Pb and 90.33 g/t Ag.

The Company believes Quiulacocha Tailings Project has potential to increase significantly if CDPR can acquire government owned surface rights that surround the El Metalurgista mining concession.

Drilling Results

Following the granting of the historic easement announced on May 28, 2024, and the required authorization for the Initiation of Exploration Activities from the Peruvian Ministry of Energy and Mines granted on August 27, 2024, the company is executing its Phase 1 drilling program. Activities include geophysical studies, 40-hole drilling program, laboratory testing, mineralogical studies, and metallurgical studies.

In September 2024 the company began its 40-whole drilling campaign. The Drilling Campaign concluded in October. To date the company has released 700 assay results of 32 drill holes across 5 press releases. Average grades to date (see diagram below):



32 out of 40 drillholes assayed

Average grades to date

1.66 oz/t Ag

0.88% Pb

1.46% Zn

0.09% Cu

0.07 g/t Au

4.2 oz/t AgEq*

53.6 g/t Ga

19.6 g/t In

5.4 oz/t AgEq*

* Silver equivalent using the following prices of: Ag $30/oz, Pb, $2000/t, Zn $3,000/t, Cu, $9,000/t, Au $2,500/oz, Ga $550/kg & In $350/kg

Of the 32 drillholes assayed so far, silver has been consistently present across the area, with average grades exceeding 50 g/t. Importantly, lead and gallium concentrations increase significantly toward the south, with several samples surpassing 1% lead and 100 g/t gallium. Gallium grades in the southern section range from 50 to 110 g/t, nearly double the northern averages demonstrating a strong correlation with the lead mineral galena.

In the southern part of the drilled area, the Company also encountered thicker layers of copper-silver-gold (Cu-Ag-Au) tailings, with significant 9m and 16m sections containing over 0.10% copper. Grades reached up to 0.47% Cu, 0.56 g/t gold, and 58 g/t silver.

Drill Program

CDPR engaged Ingetrol Comercial S.A.C., a subsidiary of Grupo Ingetrol (Chile), and ConeTec Peru, a subsidiary of the ConeTec Group (Canada). The campaign utilizes percussion and sonic drilling techniques to ensure the most accurate results.

On October 23rd, the Company completed the last of 40 drill holes, ahead of the rainy season, collecting more than 1,000 samples over a significant portion of the Quiulacocha tailings deposit. The samples were safely transported to the laboratory in freezer containers and are currently being analyzed.

Laboratory Testing

All samples are stored and transported to Lima in freezer containers to prevent oxidation and preserve sample integrity.

The samples are dried and tested at the Inspectorate Services Lab (Bureau Veritas) in Lima. Following geochemical and mineralogical testing, representative composites from select samples will be sent for an advanced metallurgical test work program.

The assay results are derived from a combination of multi-element ICP (detecting 60 elements), Atomic Absorption (for determining upper limits of the metals Zn, Pb, and Cu), and Fire Assay for Au.

Quality Assurance (QA) and Quality Control (QC)

The preparation of samples for Geochemical Analyses comprises drying at 100°C and riffle splitting to obtain a representative pulp sample of 250 grams. The sample does not undergo sieving or any other mechanical preparation (crushing or grinding) to preserve the original grain size distribution.

Bureau Veritas performs all sample preparation and analytical programs, supported by the QA/QC program, which is monitored on a sample lot basis. The CDPR QA/QC program consists of inserting twin samples, coarse duplicate samples, pulp duplicate samples, standard reference materials, and coarse blank material and further checking at a second laboratory.

Geophysics

CDPR has successfully completed Phase 1 of its geophysical studies, focusing on the dry areas of the Quiulacocha Tailings. Depth readings, conducted by Geomain Ingenieros S.A.C., ranged from 20 to over 40 meters in various locations.

➢ El Metalurgista – Excelsior Stockpile

- 100% interest in the El Metalurgista mining concession (95.74 ha) incorporating mineral rights covering approximately 35 ha of the Excelsior Stockpile.
- Located approximately 175 km NNE of the city of Lima in the Region of Pasco, Peru.
- Roads accessible, power grid, abundant water, adjacent to operational processing facility.
- Stockpiled low-grade Zn, Pb, Ag mineralization sourced from the Cerro de Pasco Mine which hosts complex epithermal polymetallic mineralized system of the type known as a Cordilleran base-metal deposit.
- End Product: Zn, Pb Concentrate

The Excelsior Stockpile covers a surface area of 67.92 ha and contains approximately 70 Mt of broken rock. The stockpile was in use between approximately 1970 and 1996 to store what was then considered uneconomic/low grade mineralization from the Raul Rojas open pit. The surface area of the Excelsior Stockpile lying within the El Metalurgista Concession is approximately 35 ha, it contains approximately 30 Mt of broken rock, and its NI 43-101 Mineral Resource Estimate declares Inferred Resources of 30.10 Mt grading 44 g/t Ag, 0.6% Pb and 1.5% Zn, containing 42.9 million ounces of silver, 437,000 tonnes of zinc and 184,000 tonnes of lead.

Summary Mineral Resource Estimate of the Excelsior Stockpile with the Effective Date of August 31, 2020

Classification	NSR Cut-off (US$/t)	Tonnes (Kt)	NSR (US$/t)	Grade			Contained Metal		
				Ag (g/t)	Pb (%)	Zn (%)	Ag (Koz)	Pb (Kt)	Zn (Kt)
Inferred	11	30,100	22	44	0.6	1.5	42,900	184	437

Notes:

1. The Mineral Resource estimate was prepared by Dr. Adrian Martínez Vargas, P.Geo., Senior Resource Geologist, and employee of CSA Global Consultants Canada Limited, an ERM Group company, and an independent Qualified Person for the purposes of NI 43-101.
2. Numbers have been rounded to reflect the precision of a Mineral Resource estimate, therefore numbers may not total.
3. The reporting cut-off is calculated as the marginal NSR that equals total estimated mining (1 US$/t for stockpiles), processing (8 US$/t), and administration costs (2 US$/t), assumed metallurgical extraction by multiple stage flotation, and metal prices of Zn 2,650 US$/t, Pb 2,125 US$/t, and Ag 16 US$/oz. Metallurgical processing recoveries were modelled using test work and production data provided to CDPR by Volcan from its current operations at Cerro de Pasco which are processing similar material to that within the Excelsior Stockpile.
4. A bulk density of 1.98 t/m^3 is used.
5. Block model grade interpolation was undertaken using ordinary kriging.
6. The average grade estimates reflect resources in-situ and do not include modifying factors such as external dilution, mining losses and process recovery losses. However, resources were reported based on a regularized model that included dilution with low-grade material.
7. The Mineral Resource estimate for the surface stockpile is constrained by the vertical lateral limits of the El Metalurgista concession boundaries and the physical limits of the stockpile surfaces within the concession.
8. Mineral Resources are estimated and classified in accordance with CIM Definition Standards for Mineral Resources and Mineral Reserves, adopted by the CIM Council on May 10, 2014 using the Estimation of Mineral Resource and Mineral Reserves Best Practice Guidelines, adopted by the CIM Council on November 29, 2019.
9. Mineral Resources are not Reserves and, as such, do not have demonstrated economic viability.
10. One troy ounce (oz) equals 31.10348 g

The Company believes the Excelsior Mineral Resource has potential to increase significantly if CDPR can acquire government owned surface rights that surround the El Metalurgista concession.

SOCIAL RESPONSIBILITY

- Ensure open, honest, and transparent communications and interactions;
- Recognize and use of existing structures and initiatives, to avoid displacement or redundancy;
- Create partnerships and multi-stakeholder approaches;
- Use key areas of support: health, education, support for disadvantages groups, and strengthening of local economy; and
- Retreat and remove environmental mining liabilities with a high ethical standard, in compliance with all applicable laws, regulations, and internationally accepted standards, and exceeding these where we can.

➢ Stakeholder Consultation

At CDPR we ensure that our environmental and social permitting processes involve extensive community /stakeholder consultation, and full transparent disclosure of the characteristics of our projects and their potential environmental and social impacts during the mine life cycle (e.g., exploration and feasibility, planning and construction, operation and mine closure).

➢ Land Use Agreements

On 13 October 2019, CDPR and the community of Quiulacocha reached an agreement for the temporary use of 77.54 hectares of communal land. Through a majority vote the community of Quiulacocha expressed it support for the reprocessing of the Quiulacocha tailings. It also approved CDPR´s upcoming drilling and technical studies program which objective is to prove that the tailings can be reprocessed economically, and that the area can be rehabilitated.

On February 22, 2023, the Company announced the extension of the surface right contract between CDPR and the community of Quiulacocha for the first phase of the Quiulacocha Tailings Project.

In order to fulfill the requirements to obtain the authorization to start exploration activities from the General Mining Bureau of Mining of the Ministry of Energy and Mines (DGM, for its acronym in Spanish), on August 25th, 2022, CDPR requested the DGM to impose an easement for 2 years over a part of the plot called Parcel "K", owned by Activos Mineros S.A.C. ("AMSAC"). The easement procedure was successfully concluded on May 28, 2024.

CORPORATE OBJECTIVES FOR 2025

- Results of remaining Phase 1 drillholes
- Mineralogical studies
- Metallurgical studies
- Formalization of claim on surrounding tailings
- Expanded Phase 2 drilling program on the Cu-Ag-Au tailings
- Completion of various site scoping studies:
    - Geotechnical stability
    - Hydrogeology & hydrology
    - Environmental baseline
    - Infrastructure trade-off
    - Logistics and marketing study
    - Assessment on mining methods

QUALIFIED PERSON

Mr. Alfonso Palacio Castilla, MIMMM/Chartered Engineer (CEng) and Project Superintendent for CDPR, has reviewed and approved the scientific and technical information contained in this MD&A. Mr. Palacio is a Qualified Person for the purposes of reporting in compliance with NI 43-101.

MINING PROPERTIES & EXPLORATION AND EVALUATION ASSETS

Mining properties and exploration and evaluation assets for the three and nine-months ended December 31, 2024 and 2023:

Mining properties
For the three-months ended December 31, 2024

	PERU	PERU	
	Quiulacocha tailings and Excelsior stockpile	Santander	Total
Mining Properties	$	$	$
Mining rights	-	-	-
Additions	-	-	-
Adjustments and concessions	-	-	-
	-	-	-
Balance, beginning of period	2,426,406	-	2,426,406
Balance, end of period	**2,426,406**	**-**	**2,426,406**

Mining properties
For the three-months ended December 31, 2023

	PERU	PERU	
	Quiulacocha tailings and Excelsior stockpile	Santander	Total
Mining Properties	$	$	$
Mining rights	-	-	-
Additions	-	-	-
Adjustments and concessions	-	-	-
	-	-	-
Balance, beginning of period	1,453,246	-	1,453,246
Balance, end of period	**1,453,246**	**-**	**1,453,246**

Exploration and evaluation assets
For the three-months ended December 31, 2024

	PERU	PERU	
	Quiulacocha tailings and Excelsior stockpile	Santander	Total
Development, exploration and evaluation assets	$	$	$
Exploration costs	682,352	-	682,352
Adjustments, concessions, and exchange	(5,592)	-	(5,592)
Sale of development, exploration and evaluation assets	-	-	-
	676,760	-	676,760
Balance, beginning of period	439,906	-	439,906
Balance, end of period	**1,116,666**	**-**	**1,116,666**

Exploration and evaluation assets
For the three-months ended December 31, 2023

	PERU	PERU	
	Quiulacocha tailings and Excelsior stockpile	Santander	Total
Development, exploration and evaluation assets	$	$	$
Exploration costs	-	3,193	3,193
Adjustments, concessions, and exchange	-	(64)	(64)
Sale of development, exploration and evaluation assets	-	-	-
	-	3,129	3,129
Balance, beginning of period	144,111	7,918,462	8,062,573
Balance, end of period	**144,111**	**7,921,591**	**8,065,702**

Mining properties
For the nine-month period ended December 31, 2024

	PERU	PERU	
	Quiulacocha tailings and Excelsior stockpile	Santander	Total
Mining Properties	$	$	$
Mining rights	-	-	-
Additions	973,160	-	973,160
Adjustments and concessions	-	-	-
	973,160	-	973,160
Balance, beginning of period	1,453,246	-	1,453,246
Balance, end of period	**2,426,406**	**-**	**2,426,406**

Mining properties
For the nine-month period ended December 31, 2023

	PERU	PERU	
	Quiulacocha tailings and Excelsior stockpile	Santander	Total
Mining Properties	$	$	$
Mining rights	-	-	-
Additions	-	-	-
Adjustments and concessions	-	-	-
	-	-	-
Balance, beginning of period	1,453,246	-	1,453,246
Balance, end of period	**1,453,246**	**-**	**1,453,246**

Exploration and evaluation assets
For the nine-month period ended December 31, 2024

	PERU	PERU	
	Quiulacocha tailings and Excelsior stockpile	Santander	Total
Development, exploration and evaluation assets	$	$	$
Exploration costs	978,147	46,430	1,024,577
Adjustments, concessions, and exchange	(5,592)	(109)	(5,701)
Sale of development, exploration and evaluation assets	-	(7,995,425)	(7,995,425)
	972,555	(7,949,104)	(6,976,549)
Balance, beginning of period	144,111	7,949,104	8,093,215
Balance, end of period	**1,116,666**	**-**	**1,116,666**

Exploration and evaluation assets
For the nine-month period ended December 31, 2023

	PERU	PERU	
	Quiulacocha tailings and Excelsior stockpile	Santander	Total
Development, exploration and evaluation assets	$	$	$
Exploration costs	-	81,428	-
Adjustments and concessions	-	(1,506)	-
Sale of development, exploration and evaluation assets	-	-	-
	-	79,922	-
Balance, beginning of period	144,111	7,841,669	7,985,780
Balance, end of period	**144,111**	**7,921,591**	**8,065,702**

Functional and presentation currency

These selected annual and quarterly financial information and other financial information are presented in US dollars ("USD"). The functional currency of Cerro de Pasco Resources Inc. is the Canadian dollar ("CAD"). The functional currency of Cerro de Pasco Resources Sucursal del Peru and Santander is USD. The functional currency of H2-Sphere GmbH is the Euro.

IFRS Accounting policies

The Company's significant accounting policies under IFRS are disclosed in Note 5 in the consolidated financial statements for the year ended March 31, 2024.

Use of estimates and judgements

Please refer to Note 3 of the 2024 audited annual consolidated financial statements for an extended description of the information concerning the Company's significant judgments, estimates and assumptions that have the most significant effect on the recognition and measurement of assets, liabilities, income, and expenses.

Changes in accounting policies

On December 21, 2023, the Company changed its fiscal year end from December 31 to March 31. As a result, the Company is reporting a 15-month period, January 1, 2023 through March 31, 2024, for the transition period financial statements. The Company is utilizing the reporting period April 1 through December 31, 2024, which is the third period of the new fiscal year, for these financial statements and MD&A.

There were no other accounting changes in accounting policy to disclose during the three-month period ended December 31, 2024.

New standards and interpretations that have not yet been adopted

In April 2024, the IASB issued a new IFRS accounting standard to improve the reporting of financial performance. IFRS 18 Presentation and Disclosure in the Financial Statements replaces IAS 1 Presentation of Financial Statements. The standards will become effective January 1, 2027, with early adoption permitted. Management estimates that the new standard will have minimal impact on the Company's financial statements.

Since the issuance of the Company's audited consolidated financial statements for the period ended March 31, 2024 the IASB and IFRIC have issued no additional new and revised standards and interpretations which are applicable to the Company besides those mentioned above.

Dividends

Since its incorporation, the Company has not paid any cash dividends on its outstanding common shares. While it has every intention of paying dividends once it is in a position to do so, any future dividend payment will depend on the Company's financial needs to fund its exploration programs and its future growth, and any other factor that the Board may deem necessary to consider.

SELECTED QUARTERLY FINANCIAL INFORMATION

Cerro de Pasco Resources anticipates that the quarterly and annual results of operations will primarily be impacted for the near future by several factors, including the timing and efforts of the exploration's expenditures and efforts related to the development of the Company. Due to these fluctuations, the Company believes that the quarter-to-quarter and the year-to-year comparisons of the operating results may not be a good indication of its future performance.

CERRO DE PASCO RESOURCES INC.
SELECTED QUARTERLY FINANCIAL INFORMATION

	12/31/2024	9/30/2024	6/30/2024	3/31/2024	12/31/2023	9/30/2023	6/30/2023	3/31/2023
	2025	2025		2024				2023
	Q3	Q2	Q1	Q5	Q4	Q3	Q2	Q1
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION								
Cash	10,782,461	2,472,284	166,562	136,721	322,294	530,939	1,563,191	1,464,415
Cash and cash equivalents - restricted	-	-	4,589,876	6,479,134	4,589,876	4,589,876	4,575,332	4,575,332
Accounts receivable	-	2,402	605	778,321	51,874	757,931	444,274	6,691,851
Other financial assets	45,451	67,018	47,533	50,852	51,975	50,965	44,282	69,502
Other receivables	498,583	276,018	1,226,115	1,030,522	7,602,557	6,389,600	6,077,822	5,462,880
Income and mining taxes receivable	-	-	1,730	304,956	150,800	147,418	146,794	734,048
Inventories	-	-	1,822,429	1,866,670	1,847,761	2,500,584	2,243,973	2,404,669
Prepaid expenses	59,086	35,462	256,351	306,410	141,392	378,362	310,055	96,514
Property, plant & equipment	14,804	28,439	10,238,052	10,554,664	10,222,187	11,146,643	11,535,465	10,526,812
Right-of-use assets	60,678	-	-	-	-	-	-	-
Other receivables, net of current portion	-	-	5,977,953	6,355,303	-	-	-	-
Mining properties, exploration and evaluation assets	3,543,072	2,866,312	10,559,627	9,546,461	9,518,948	9,515,819	9,484,124	9,439,026
Total assets	**15,004,135**	**5,747,935**	**34,886,833**	**37,410,014**	**34,499,664**	**36,008,137**	**36,425,312**	**41,465,049**
Trade accounts payable and other liabilities	2,000,210	2,287,208	54,757,521	53,839,715	50,398,855	48,281,556	43,896,107	39,456,842
Lease liabilities	11,803	-	-	-	-	-	-	-
Promissory note	-	-	477,785	458,159	426,180	428,994	438,074	428,562
Balance of purchase payable	1,584,847	1,687,102	1,663,873	1,680,726	1,717,847	1,684,472	1,720,125	1,682,775
Current portion contingent consideration payable	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	-	2,500,000
Current portion of provision for rehabilitation and mine closure	-	-	401,043	349,559	301,002	460,488	404,757	357,385
Current portion of loans	-	-	3,568,959	3,568,959	3,443,352	2,448,522	28,178	371,885
Current portion of loan	885,690	952,090						
Convertible debenture	-	897,078	1,052,952	1,208,623	1,137,813	1,115,595	990,509	987,636
Provision for taxes payable	-	-	279,058	279,058	279,058	1,725,501	1,803,393	1,715,112
Commitment to issue shares	-	-	7,380	2,064,227	-	-	-	7,389
Total current liabilities	**6,982,550**	**8,323,478**	**64,708,571**	**65,949,026**	**60,204,107**	**58,645,128**	**49,281,143**	**47,507,586**
Loan	2,222,866	2,094,462	27,303	28,749	178,043	212,732	-	-
Lease liabilities, net of current	50,074	-	-	-	-	-	-	-
Deferred income tax	-	-	53,358	53,362	1,050,018	311,812	311,812	311,812
Contingent consideration payable	-	-	-	-	-	-	2,500,000	-
Provision for rehabilitation and mine closure	-	-	12,190,027	12,190,027	13,124,440	13,891,385	13,891,385	13,891,385
Total non-current liabilities	**2,272,940**	**2,094,462**	**12,270,688**	**12,272,138**	**14,352,501**	**14,415,929**	**16,703,197**	**14,203,197**
Equity (Deficiency)	**5,748,645**	**(4,670,005)**	**(42,092,426)**	**(40,811,150)**	**(40,056,945)**	**(37,052,920)**	**(29,559,028)**	**(20,245,734)**

	12/31/2024	9/30/2024	6/30/2024	3/31/2024	12/31/2023	9/30/2023	6/30/2023	3/31/2023
CERRO DE PASCO RESOURCES INC.	**2025**			**2024**				**2023**
SELECTED QUARTERLY FINANCIAL INFORMATION	**Q3**	**Q2**	**Q1**	**Q5**	**Q4**	**Q3**	**Q2**	**Q1**
	$	**$**	**$**	**$**	**$**	**$**	**$**	**$**
CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS								
Revenue from Zinc, Lead and Silver concentrate sales	-	-	-	-	(1)	-	-	-
Cost of Sales	-	-	-	303,870	1	5,644	(309,515)	-
Gross Profit	-	-	-	**(303,870)**	**(2)**	**(5,644)**	**309,515**	-
Expenses:								
Selling Expenses	-	-	-	190,451	-	-	(190,451)	-
Exploration and evaluation expenditures	-	-	-	-	-	-	-	-
Exploration and evaluation expenses	-	-	-	-	-	-	-	-
Care and maintenance	-	-	-	-	-	-	-	-
General and administrative expenses	1,052,111	1,372,925	837,927	52,780	533,526	865,200	1,696,556	964,387
Operating income (loss) before other revenues (expenses) and income tax	**(1,052,111)**	**(1,372,925)**	**(837,927)**	**(547,101)**	**(533,528)**	**(870,844)**	**(1,196,590)**	**(964,387)**
Other revenues (expenses)								
Other and financial income	(13,227)	(793)	(17,009)	65,045	179,556	251,497	217,680	76,049
Financial expenses	(302,873)	(154,200)	(166,785)	(97,799)	(282,195)	(429,384)	(311,084)	(244,938)
Non-recoverable sales taxes	-	-	-	-	-	-	-	-
Change in fair value of other financial assets	(17,825)	18,817	(2,809)	(5)	90	8,015	(26,733)	2,655
Change in fair value of warrants and embedded derivative on convertible debenture	-	-	-	-	-	-	-	-
Loss on extinguishment of note	65	(3,691)	-	52,610	-	-	-	-
Gain (loss) on extinguishment of convertible debt	-	-	-	(161,411)	-	-	-	-
Loss on modification of note	-	6,279,835	-	(38,767)	-	-	-	-
Loss on modification of convertible debt	(1,734)	97,316	-	(44,974)	-	-	-	-
Gain (loss) on dissolution of subsidiaires	-	-	-	-	-	-	-	-
Change in fair value of contingent consideration	-	-	-	(1)	19	31	6	(6,156)
Gain on bargain purchase	-	-	-	-	-	-	-	-
Government assistance	-	-	-	-	-	-	-	-
Exchange loss	246,966	(12,623)	(8,797)	(4,375)	(14,171)	22,409	117,962	(206,325)
Gain on sale of subsidiary	-	30,562,850	-	(1)	1	246,876	-	-
Other expenses	-	-	-	(13,092)	(101,373)	-	114,462	-
Total other revenue (expense)	**(88,628)**	**36,787,511**	**(195,400)**	**(242,770)**	**(218,073)**	**99,444**	**112,293**	**(378,715)**
Income and mining taxes	95,268	-	-	53,302	(1)	-	-	-
Net income (loss) from continuing operations	**(1,045,471)**	**35,414,586**	**(1,033,327)**	**(736,569)**	**(751,602)**	**(771,400)**	**(1,084,297)**	**(1,343,102)**
Other comprehensive income (loss) from continuing operations								
Currency translation adjustment	(92,390)	(33,668)	22,304	86,008	(70,461)	82,205	(78,743)	284
Other comprehensive income (loss) net of tax	**(92,390)**	**(33,668)**	**22,304**	**86,008**	**(70,461)**	**82,205**	**(78,743)**	**284**
Net comprehensive income (loss) from continuing operations	**(1,137,861)**	**35,380,918**	**(1,011,023)**	**(650,561)**	**(822,063)**	**(689,195)**	**(1,163,040)**	**(1,342,818)**
Net income (loss) from discontinued operations	-	(2,891,580.00)	(2,693,136.00)	(285,573.00)	(3,294,190)	(7,243,866)	(9,360,397)	(4,438,667)
Other comprehensive income (loss) from discontinued operations								
Currency translation adjustment	-	-	331	-	-	(986)	1,385	(1,097)
Net comprehensive income (loss) from discontinued operations	-	**(2,891,580)**	**(2,692,805)**	**(285,573)**	**(3,294,190)**	**(7,244,852)**	**(9,359,012)**	**(4,439,764)**
Net comprehensive income (loss)	**(1,137,861)**	**32,489,338**	**(3,703,828)**	**(936,134)**	**(4,116,253)**	**(7,934,047)**	**(10,522,052)**	**(5,782,582)**
Net income (loss) attributable to:								
Shareholders of Cerro de Pasco Resources Inc.	(1,045,471)	32,523,006	(3,726,463)	(1,022,142)	(4,045,792)	(8,015,249)	(10,444,373)	(5,779,825)
Non-controlling interest	-	-	-	-	-	(17)	(321)	(1,944)
	(1,045,471)	**32,523,006**	**(3,726,463)**	**(1,022,142)**	**(4,045,792)**	**(8,015,266)**	**(10,444,694)**	**(5,781,769)**
Other comprehensive income (loss) attributable to:								
Shareholders of Cerro de Pasco Resources Inc.	(92,390)	(33,668)	22,635	86,008	(70,461)	81,197	(77,635)	(594)
Non-controlling interest	-	-	-	-	-	22	277	(219)
	(92,390)	**(33,668)**	**22,635**	**86,008**	**(70,461)**	**81,219**	**(77,358)**	**(813)**
Net comprehensive income (loss) attributable to:								
Shareholders of Cerro de Pasco Resources Inc.	(1,137,861)	32,489,338	(3,703,828)	(936,134)	(4,116,253)	(7,934,052)	(10,522,008)	(5,780,419)
Non-controlling interest	-	-	-	-	-	5	(44)	(2,163)
	(1,137,861)	**32,489,338**	**(3,703,828)**	**(936,134)**	**(4,116,253)**	**(7,934,047)**	**(10,522,052)**	**(5,782,582)**
Weighted averages shares outstanding - basic	455,786,905	411,662,435	359,698,049	345,078,975	335,953,543	324,338,165	316,148,489	289,370,204
Weighted average shares outstanding - diluted	455,786,905	572,501,876	359,698,049	345,078,975	335,953,543	324,338,165	316,148,489	289,370,204
Basic income (loss) per share - continuing operations	(0.00)	0.08	(0.01)	(0.01)	(0.00)	(0.00)	(0.03)	(0.00)
Diluted income (loss) per share - continuing operations	(0.00)	0.06	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)
Basic and diluted income (loss) per share - discontinued operations	-	(0.01)	(0.01)	(0.00)	(0.01)	(0.02)	(0.03)	(0.02)
Basic income (loss) per share	(0.00)	0.08	-	-	(0.01)	(0.02)	(0.03)	(0.02)
Diluted income (loss) per share	(0.00)	0.06	(0.01)	(0.01)	(0.01)	(0.02)	(0.03)	(0.02)

The net loss of $1,137,861 for Q3-2025 (three-months ended December 31, 2024) is mainly attributable to corporate expenses such as salaries, consulting and legal expenses.

The net income of $32,489,338 for Q2-2025 (three-months ended September 30, 2024) is mainly attributable to the gain realized on the sale of Santander subsidiary.

The net loss of $3,726,132 for Q1-2025 (three-months ended June 30, 2024) is mainly attributable to net losses from Santander mining operations of $2,692,804.

The net loss of $1,022,141 for Q5-2024 (three-months ended March 31, 2024) is mainly attributable to an increase in corporate expenditures of $697,139.

The net loss of $4,044,695 for Q4-2023 (three-months ended December 31, 2023) is mainly attributable to net losses from Santander mining operations of $2,486,428.

The net loss of $8,015,249 for Q3-2023 (three-months ended September 30, 2023) is mainly attributable to net losses from Santander mining operations of $7,161,704.

The net loss of $10,444,373 for Q2-2023 (three-months ended June 30, 2023) is mainly attributable to net losses from Santander mining operations of $9,286,436. Increases in cost of sales led to a larger gross loss quarter-over-quarter.

The net loss of $5,780,922 for Q1-2023 (three-months ended March 31, 2023) is mainly attributable to net losses from Santander mining operations of $4,356,593.

RESULTS OF CONTINUING OPERATIONS FOR THE THREE-MONTH PERIOD ENDED December 31, 2024

Net loss

The basic and diluted income (loss) per share for the three-month periods ended December 31, 2024 and 2023 is $(0.00) and $(0.01), respectively.

During the quarter ended December 31, 2024, the Company realized a net loss of $1,045,471 as compared to a net loss of $751,602 for the quarter ended December 31, 2023.

The increase in losses of $293,869 is immaterial and mostly due to an increase in legal and salary expenses.

Operating expenses

During the three-month period ended December 31, 2024, operating expenses from continuing operations were $1,052,111 as compared to $533,526 for the three-month period ended December 31, 2023. The increase in operating expenses by $518,585 is attributable to the increase in general and administrative expenses, specifically professional, management, and consulting fees by approximately $262k. The further increase was due to significant write-offs of accrued expenses determined to not be collectable in the prior year quarter which caused the prior year to be significantly less than in the usual course of business.

Other revenues (expenses)

During the three-month period ended December 31, 2024, total other revenue (expenses) from continuing operations was ($88,628) as compared to other revenue (expenses) of ($218,073) for the three-month period ended December 31, 2023.

The net decrease in expenses of $129,435 is mainly attributable to exchange gain increase of approximately $261k and increase of other expenses by $101k, offset by an increase in financial expenses of approximately $213k and change in fair value of financial assets by approximately $18k.

RESULTS OF CONTINUING OPERATIONS FOR THE NINE-MONTH PERIOD ENDED December 31, 2024

Net loss

The basic income (loss) per share for the nine-month periods ended December 31, 2024 and December 31, 2023 is $0.07 and $(0.01), respectively.

The diluted income (loss) per share for the nine-month periods ended December 31, 2024 and December 31, 2023 is $0.06 and $(0.01), respectively.

During the nine-month period ended December 31, 2024, the Company realized a net income of $33,335,790 as compared to a net loss of $2,607,302 for the nine-month period ended December 31, 2023.

This decrease in losses of $30,728,488 is mainly attributable to the Company selling the Santander mine on August 29, 2024 and recognizing a gain on sale of subsidiary in the prior quarter.

Operating expenses

During the nine-month period ended December 31, 2024, operating expenses from continuing operations were $3,262,961 as compared to $2,587,871 for the nine-month period ended December 31, 2023. The increase in operating expenses of $675,090 is attributable to the increase in general and administrative expenses generated by CDPR Inc., specifically, an increase in salaries.

Other revenues (expenses)

During the nine-month period ended December 31, 2024, total other revenue (expenses) from continuing operations was $36,503,483 as compared to other revenue (expenses) of $(19,428) for the nine-month period ended December 31, 2023.

The net increase of $36,522,911 in income is mainly attributable to gain recognized on sale of the Santander subsidiary in the prior quarter for $30,562,850 and a gain on the modification of loan outstanding of $6,279,835.

CASH FLOWS

Cash flows used for operating activities

Cash flows used for operating activities were ($2,847,780) during the nine-months ended December 31, 2024, a decrease of $1,009,464 as compared to cash flows used for operating activities of ($3,857,244) during the nine-months ended December 31, 2023.

The decrease in cash flows used in operating activities is mostly attributable to the large decrease in the change of working capital items by approximately $12 million, a large credit to gain on sale of subsidiary by approximately $30.5 million, a large credit to gain on modification of a loan by $6.3 million, decrease in presumed interest on mine closure of $0.6 million and decrease of depreciation expense by $1.7 million. These decreases were offset by an increase in income by $50.3 million, debit to provision for contingent taxes of approximately $1.4 million and net increase of presumed interest on loans, notes, and convertible notes by $0.4 million.

Cash flows from financing activities

Cash flows generated from financing activities were $16,107,328 during the nine-months ended December 31, 2024, an increase of $10,416,867 as compared to cash flows used in financing activities of $5,690,461 for the nine-months ended December 31, 2023.

The increase was mostly caused by the increase in net proceeds received from shares issued of approximately $15 million. This inflow was offset by a decrease in proceeds received from a loan of approximately $3.7 million, a decrease in net repayments of loans and convertible notes by $0.4 million and an increase in outflows of share issuance costs of $0.5 million.

Cash flows used for investing activities

Cash flows used for investing activities were ($2,500,313) during the nine-months ended December 31, 2024, a decrease of $491,974 as compared to cash flows used for investing activities of ($2,992,287) for the nine-months ended December 31, 2023.

The decrease in cash flows used for investing activities was mostly attributable to the large decrease of acquisition of property, plant, and equipment of approximately $2.4 million, offset by increases in both exploration and evaluation of assets and mining concessions and development by $1.9 million.

OTHER FINANCIAL DISCLOSURES

Related party transactions

Related parties include the Company's joint key management personnel. Unless otherwise stated, balances are usually settled in cash. Key management includes directors and senior executives. The remuneration of key management personnel includes the following expenses:

	Three-month period ended		Nine-month period ended	
	December 31, 2024	**December 31, 2023**	**December 31, 2024**	**December 31, 2023**
	$	**$**	**$**	**$**
Management and consulting fees	244,851	212,570	623,810	807,468
Salaries and director's fees	169,660	117,422	397,656	399,757
Share-based compensation	-	-	139,752	116,195
	414,511	**329,992**	**1,161,218**	**1,323,420**

As of December 31, 2024, the Company owed $83,159 (March 31, 2024 - $342,848) to various related parties (included in trade accounts payable and other liabilities).

These transactions, entered into the normal course of operations, are measured at the exchange amount which is the amount of consideration established and agreed to by the related parties.

Unless otherwise stated, none of the transactions incorporated special terms and conditions and no guarantees were given or received. Outstanding balances are usually settled in cash.

Contingency

Please refer to Note 28 of the audited financial statements for the 15-month period ended March 31, 2024, for a summary of the Company's commitments and contingencies.

Off-financial position arrangements

As of December 31, 2024, the Company had no off-financial position arrangements.

Going concern assumption

The accompanying interim condensed consolidated financial statements have been prepared on a going concern basis. In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but not limited to, twelve months from the end of the reporting period.

Management is aware, in making its assessment, of material uncertainties related to events and conditions that may cast a significant doubt on the Company's ability to continue as a going concern and, accordingly, the appropriateness of the use of accounting principles applicable to a going concern. These consolidated financial statements do not reflect the adjustments to the carrying values of assets and liabilities, expenses and financial position classifications that would be necessary if the going concern assumption was not appropriate. These adjustments could be material.

Liquidity and capital resources

For the nine-month period ended December 31, 2024, the Company recorded a net income attributable to shareholders of $27,751,072 due mainly to the sale of the Santander mine. As of December 31, 2024, the Company had an accumulated deficit of $45,231,562 ($72,954,894 as of March 31, 2024) and an accumulated other comprehensive income(loss) of $676,118 ($752,120 as of March 31, 2024).

As of December 31, 2024, the Company had a working capital surplus of $4,403,021 (working capital deficit of $54,995,440 as of March 31, 2024), which is mainly attributable to cash and cash equivalents of $10.8 million, net of the trade payables balance of $2.0 million and contingent consideration and purchase payable of $4.1 million. For the nine-months ended December 31, 2024, the Company used $2,847,780 from operating activities, generated $16,107,200 from financing activities, and used $2,483,995 from investing activities, leading to a net cash in-flow of $10,775,425.

These uncertainties cast significant doubt regarding the Company's ability to continue as a going concern; unless any funding shortfall may be met in the future in a number of ways, including but not limited to the issuance of new equity instruments. During the nine-month period ended December 31, 2024, the Company was able to raise additional funds of about $17.1 million, net of issuance costs, to mitigate cash flow concerns. Furthermore, the Company disputes charges of approximately $4.2 million, the details of which can be found in Note 13. Subsequent to period-end, the Company was able to raise an additional $0.3 million through warrant and option exercises from shareholders (see Note 21 of the condensed consolidated financial statements for more details). While management has been successful in raising financing in the past, there is no assurance that it will succeed in obtaining additional financing in the future operations.

The recovery of the cost of exploration and evaluation assets as well as other tangible and intangible assets, is subject to certain conditions: the discovery of economically recoverable reserves, the continued support from the Company's suppliers and lenders, the ability of the Company to obtain the necessary financing to continue the exploration, evaluation, development, construction and ultimately disposal of these assets.

Capital management policies and procedures

The Company's capital management objectives are to ensure its ability to continue as a going concern and to maximize the return of its shareholders. The Company's definition of capital includes all components of equity and long-term debt. In order to meet its objectives, the Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. The Company finances its exploration and evaluation activities principally by raising additional capital either through private placements or public offerings. When financing conditions are not optimal, the Company may enter into option agreements or other solutions to continue its exploration and evaluation activities or may slow its activities until conditions improve. No changes were made in the objectives, policies, and processes for managing capital during the reporting periods.

Outstanding Share Data

The following selected financial information is derived from our interim financial statements:

	Number of shares outstanding (diluted)
Outstanding as of February 14, 2025	492,742,003
Shares reserved for issuance pursuant to share purchase options	20,480,000
Shares reserved for issuance pursuant to warrants	171,757,297
Total	**684,979,300**

The following table reflects the share purchase options issued and outstanding as at the date of this MD&A (expressed in Canadian Dollars):

Expiry date	Number of granted share options	Number of exercisable share options	Exercise price	Remaining life
			$	(years)
August 28, 2025	2,090,000	2,090,000	0.40	0.5
September 5, 2025	1,250,000	1,250,000	0.20	0.6
March 2, 2027	1,040,000	1,040,000	0.40	2.0
April 10, 2027	150,000	75,000	0.15	2.2
September 5, 2028	3,300,000	3,300,000	0.20	3.6
April 10, 2029	250,000	125,000	0.15	4.2
September 19, 2029	12,400,000	12,400,000	0.20	4.6
	20,480,000	**20,280,000**	**0.23**	**3.6**

The following table reflects the warrants issued and outstanding as of the date of this MD&A (expressed in Canadian Dollars):

Expiry date		Number of outstanding warrants	Exercise price	Remaining life
			$	(years)
March 22, 2025		7,305,000	0.25	0.1
March 24, 2025		6,860,000	0.25	0.1
March 31, 2025		8,497,500	0.25	0.1
May 31, 2025		1,212,720	0.25	0.3
June 5, 2025		8,307,500	0.25	0.3
June 20, 2025		450,000	0.25	0.3
June 23, 2025		541,500	0.25	0.4
July 18, 2025		500,000	0.50	0.4
July 26, 2025		500,000	0.50	0.4
August 26, 2025		500,000	0.50	0.5
September 26, 2025		500,000	0.50	0.6
September 29, 2025		1,405,000	0.15	0.6
September 29, 2025	**	1,705,000	0.25	0.6
October 6, 2025		1,709,000	0.15	0.6
October 6, 2025	**	1,734,000	0.25	0.6
October 26, 2025		400,000	0.25	0.7
November 20, 2025		5,525,000	0.15	0.8
November 20, 2025	**	5,525,000	0.25	0.8
November 26, 2025		400,000	0.25	0.8
December 22, 2025		400,000	0.25	0.9
January 17, 2026		1,260,900	0.15	0.9
January 26, 2026		400,000	0.25	0.9
January 31, 2026		1,260,900	0.25	1.0
February 26, 2026		400,000	0.25	1.0
March 28, 2026		1,600,000	0.15	1.1
March 28, 2026	**	1,600,000	0.25	1.1
April 8, 2026		4,283,277	0.50	1.1
May 24, 2026		12,935,000	0.15	1.3
May 24, 2026	**	12,960,000	0.25	1.3
July 7, 2026		32,580,000	0.15	1.4
September 26, 2026		10,000,000	0.20	1.6
November 27, 2026		3,000,000	0.25	1.8
November 27, 2026		25,000,000	0.50	1.8
November 27, 2026		2,000,000	0.30	1.8
November 27, 2026	**	1,000,000	0.50	1.8
January 21, 2028		5,000,000	0.15	2.9
May 1, 2028		2,500,000	0.15	3.2
		171,757,297	**0.26**	**1.2**

**These represent underlying warrants, which cannot be exercised until all purchase warrants held by the shareholder have been exercised.

FINANCIAL RISK MANAGEMENT

Liquidity risk is the risk that the Company will be unable to satisfy financial obligations as they fall due. The Company manages its liquidity risk by optimizing its cash holdings, forecasting cash flows required by operations and anticipated investing and financing activities. The Company's operating cash flows are very sensitive to variations in the price of zinc and lead, foreign exchange rates and ore grades, and any cash flow outlook provided may vary significantly to actual results. Spending and capital investment plans may be adjusted in response to changes in operating cash flow expectations. An increase in average zinc and lead prices from current levels may result in an increase in planned expenditures and, conversely, weaker average zinc and lead prices could result in a reduction of planned expenditures.

RISK AND UNCERTAINTIES

The mining industry involves many risks which are inherent to the nature of the business, global economic trends and economic, environmental and social conditions in the geographical areas of operation. As a result, the Company is subject to a number of risks and uncertainties, each of which could have an adverse effect on our operating results, business prospects or financial position. The Company continuously assesses and evaluate these risks and attempts to mitigate them by implementing operating standards and processes to identify, assess, report and monitor risks across our organization.

RITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of financial statements in accordance with IFRS requires significant assumptions and judgements about the future and other sources of estimation uncertainty that management has made at the end of the reporting period, which could result in a material adjustment to the carrying amounts of assets and liabilities within the next twelve months, in the event that actual results differ from assumptions made. These estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

OPERATIONAL RISKS

INDUSTRY CONDITIONS

Mining and milling operations are subject to government regulations. Operations may be affected in varying degrees by government regulations such as restrictions on production, price controls, tax increases, expropriation of property, pollution controls or changes in conditions under which minerals may be mined, milled or marketed. The marketability of minerals may be affected by numerous factors beyond the control of the Company, such as government regulations. The effect of these factors cannot be accurately determined.

CERTAIN RISKS ASSOCIATED WITH THE EL METALURGISTA CONCESSION

The Company has initiated negotiations with local stakeholders for gaining access to a portion of the surface lands that the Company will require for processing the tailings, dumps and slag to which its El Metalurgista concession entitles it to. It is the intention of the Company to pursue the negotiations and reach an agreement with local stakeholders. There is however no guarantee that such an agreement will be reached. Unless the Company acquires additional property interests, any adverse developments affecting the El Metalurgista concession could have a material adverse effect upon the Company and would materially and adversely affect any profitability, financial performance and results of operations of the Company.

ENVIRONMENTAL MATTERS

The Company's operations are subject to environmental regulations promulgated by government agencies from time to time. Environmental legislation provides for restrictions and prohibitions of spills, release or emission of various substances produced in association with certain mining industry operations, such as seepage from tailing disposal areas, which could result in environmental pollution. A breach of such legislation may result in imposition of fines and penalties. In addition, certain types of operations require submissions to and approval of environmental impact assessments. Environmental legislation is evolving in a manner which means stricter standards and enforcement, fines and penalties for non-compliance are more stringent. Environmental assessments of proposed projects carry a heightened degree of responsibility for companies and directors, officers, and employees. The cost of compliance with changes in governmental regulations has the potential to reduce the profitability of operations. The Company intends to fully comply with all environmental regulations.

LICENSES AND PERMITS

As part of its exploration and processing activities or future projects, the Company is required to obtain several permits. Although the Company believes it will obtain the required permits, there is no assurance it will receive such permits or it may face administrative delays in doing so, which could impact its operations.

Failure to comply with applicable laws and regulations and permit requirements or amendments to them could have a harmful effect on the Company and could cause an increase of capital expenditures, exploration costs or production costs, or a decrease in the levels of production. Such amendments or the implementation of such laws and regulations could further cause the abandonment or delay the development of certain properties of the Company. No assurance can be provided or obtained that the Company will be able to obtain or maintain all required permits for the construction, development or operation of mining facilities on these properties on terms which enable operations to be conducted at economically justifiable costs.

POLITICAL AND COUNTRY RISKS

The mineral property interests of the Company are located in Peru. The Company believes that Peruvian government supports the development of its natural resources by foreign companies. However, there is no assurance that future political and economic conditions in Peru will not result in the government adopting different policies regarding foreign ownership of mineral resources, taxation, exchanges rates, environmental protection, labor relations, and the repatriation of funds. The possibility that a future government may adopt substantially different policies, which might extend to the expropriation of assets, cannot be ruled out. The Company's current and future mineral exploration and processing activities could be impacted by widespread civil unrest and rebellion. Country risk refers to the risk of investing in a country, dependent on changes in the business environment that may adversely affect operating profits or the value of assets in a specific country. For example, financial factors such as currency controls, devaluation or regulatory changes, nationalization, or stability factors such as mass riots, civil war and other potential events contribute to companies' operational risks. Currently and since its operation began in Peru, the Company has not suffered any of these risks.

PRODUCTION AND COST ESTIMATES

No assurance can be given that the intended or expected production schedules or the estimated cash costs and capital expenditures will be achieved. Failure to achieve production or cost estimates or material increases in costs could have an adverse impact on our future cash flows, profitability, results of operations and financial condition. Many factors may cause delays or cost increases, including labour issues, disruptions in power, transportation or supplies, and mechanical failure. In addition, short-term operating factors, such as the processing of new or different ore material and ore grades, may cause a mining operation to be less profitable in any particular period.

DEPENDENCE ON MANAGEMENT

The success of the operations and activities of the Company is dependent to a significant extent on the efforts and abilities of its executive officers and directors. See "Directors and Officers" for details of the Company's current management. The development of the Company's business is and will continue to be dependent on its ability to attract and retain highly qualified management and mining personnel. The Company faces competition for personnel from other employers.

COMPETITION

The mining industry is intensely competitive in all its phases. The Company competes with many companies possessing greater financial resources and technical facilities than itself for the acquisition of mineral interests as well as for recruitment and retention of qualified employees.

SHARE PRICE VOLATILITY

In recent years, the securities markets in Canada have experienced a high level of price and volume volatility, and the market price of securities of many companies has experienced wide fluctuations in price which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that continual fluctuations in price will not occur.

UNINSURED RISK

The mining industry is subject to significant risks such as adverse environmental conditions or regulations, political uncertainties, industrial accidents, labour disputes, unusual or unexpected geological conditions, ground or slope failures, cave-ins, and natural phenomena such as inclement weather conditions, floods and earthquakes that could result in damage to or destruction of property and facilities, personal injury or death, environmental damage and pollution, delays in production, expropriation of assets and loss of title to mining claims. No assurance can be given that insurance to cover the risks to which the Company's activities are subject will be available at all or at commercially reasonable premiums.

The Company currently maintains available insurance within ranges of coverage that it believes to be consistent with industry practice for companies of a similar stage of development. The Company carries liability insurance with respect to its mineral exploration operations, but it is not currently covered by any form of environmental liability insurance, since insurance against environmental risks (including liability for pollution) or other hazards resulting from exploration and development activities is prohibitively expensive. The payment of any such liabilities would reduce the funds available to the Company. If the Company is unable to fully fund the costs of remedying an environmental problem, it might be required to suspend operations or enter costly interim compliance measures pending completion of a permanent remedy.

LITIGATION

All industries, including the mining industry, are subject to legal claims, with and without merit. The Company may, in the future, be involved in various legal proceedings. While the Company believes it is unlikely that the final outcome of these legal proceedings will have a material adverse effect on the financial position or results of operations, defense costs will be incurred, even with respect to claims that have no merit. Due to the inherent uncertainty of the litigation process, there can be no assurance that the resolution of any particular legal proceeding will not have a material adverse effect on the Company's future cash flow, results of operations or financial condition. There are no significant proceedings against the Company as at the date of this annual information form.

INCREASED COSTS AND COMPLIANCE RISKS OF BEING A PUBLIC COMPANY

Legal, accounting and other expenses associated with public company reporting requirements have increased significantly in the past few years. The Company anticipates that costs may continue to increase with recently adopted or proposed corporate governance related requirements.

The Company also expects these new rules and regulations may make it more difficult and more expensive for it to obtain director and officer liability insurance, and it may be required to accept reduced policy limits and coverage or incur substantially higher costs to obtain the same or similar coverage. As a result, it may be more difficult for the Company to attract and retain qualified individuals to serve on its board of directors or as executive officers.

ANTI-CORRUPTION LAWS

The Company's operations are governed by, and involve interactions with, many levels of government in two countries. Its operations take place in jurisdictions ranked unfavorably under Transparency International's Corruption Perception Index. The Company is required to comply with anti-corruption and anti-bribery laws, including the Criminal Code, the Canadian Corruption of Foreign Public Officials Act, as well as similar laws in Peru, where the Company conducts its business. In recent years, there has been a general increase in both the frequency of enforcement and the severity of penalties under such laws, resulting in greater scrutiny and punishment to companies convicted of violating anticorruption and anti-bribery laws. Furthermore, a company may be found liable for violations by not only its employees, but also by its contractors and third-party agents. Although the Company is implementing policies to mitigate such risks, including internal monitoring, reviews and audits, and policies to ensure compliance with such laws, such measures may not always be effective in ensuring that the Company, its employees, contractors or third-party agents will comply strictly with such laws. If the Company finds itself subject to an enforcement action or is found to be in violation of such laws, this may result in significant penalties, fines and/or sanctions imposed on the Company resulting in a material adverse effect on the Company's reputation, business, financial condition and results of operations.

EXPLORATION AND MINING RISKS

Although the Company's activities are primarily directed towards mining operations, the Company is also engaged in the business of acquiring and exploring mineral properties in the hope of locating economic deposits of minerals. Some of the Company's property interests are in the exploration and evaluation stage only. The business of mineral exploration involves a high degree of risk. Few properties that are explored are ultimately developed into production. Future profitability will be impacted by the Company's success in locating economic deposits of minerals. There can be no assurance that any economic deposit of minerals located by the Company will lead to commercial mining operation.

Unusual or unexpected formations, fires, power outages, labour disruptions, flooding, cave-ins, landslides and the inability to obtain suitable or adequate machinery, equipment or labour are other risks involved in the conduct of exploration programs.

The Company is subject to risks and hazards inherent to the mining industry, including fluctuations in metal prices, costs of operations, changes in the regulatory environment (including regulations relating to prices, royalties, duties, taxes, restrictions on production, as well as the costs of protection of the environment and agricultural lands), and industrial accidents and labor actions or unrest. The occurrence of any of these factors could materially and adversely affect the Company's business, financial condition, results of operations and cash flow.

STAGE OF DEVELOPMENT

The Company may be unable to maintain or increase annual production, and changes in the production outlook will have an effect on the Company's cash flow from operations. Although the Company's activities are primarily directed towards mining operations, its activities also include the exploration for, and development of, mineral deposits. The Company must continually replace and expand Mineral Reserves depleted by production to maintain production levels over the long term. The Company's ability to maintain or expand production will depend on its ability to expand known ore bodies, locate new deposits, make acquisitions or bring new mines into production.

Material changes in Mineral Reserves and Mineral Resources, grades, production or recovery rates may affect the economic viability of projects. There is a risk that depletion of Mineral Reserves will not be offset by discoveries, acquisitions, or the conversion of Mineral Resources into Mineral Reserves. The mineral base of CDPR's operations may decline if reserves are mined without adequate replacement and the Company may not be able to sustain production beyond the current mine lives, based on current production rates. Exploration is highly speculative in nature. CDPR's exploration projects involve many risks. Once a site with mineralization is discovered, it may take several years from the initial phases of drilling until production is possible, during which time the economic feasibility of production may change. The Company can provide no assurance that it will be able to maintain or increase its annual production, bring new mines into production or expand the Mineral Reserves and Mineral Resources at existing mines.

A decrease in the amount of, or a change in the timing of the production outlook for, or in the prices realized for, metals of the Company will directly affect the amount and timing of the Company's cash flow from operations. The actual effect of such a decrease on the Company's cash flow from operations would depend on the timing of any changes in production and on actual prices and costs. Any change in the timing of these projected cash flows that would occur due to production shortfalls, delays in receiving permits, delays in construction, delays in commissioning the mines or labour disruptions would, in turn, result in delays in receipt of such cash flows and in using such cash to fund capital expenditures, including capital for the Company's development projects, in the future. Any such financing requirements could adversely affect the Company's ability to access capital markets in the future to meet any external financing requirements or increase its debt financing costs.

RISKS RELATED TO STATUTORY AND REGULATORY COMPLIANCE

Existing and possible future laws, regulations and permits governing the operations and activities of the Company, or more stringent implementation thereof, could have a material adverse impact on the Company business and cause increases in capital expenditures or require abandonment or delays in exploration.

The current and future operations of the Company, from exploration through development activities and commercial production, are and will be governed by applicable laws and regulations governing mineral claims acquisition, prospecting, development, mining, production, exports, taxes, labour standards, occupational health, waste disposal, toxic substances, land use, environmental protection, mine safety and other matters. Companies engaged in exploration activities and in the development and operation of mines and related facilities generally experience increased costs and delays in production and other schedules as a result of the need to comply with applicable laws, regulations and permits.

Failure to comply with applicable laws, regulations and permits may result in enforcement actions there under, including the forfeiture of claims, orders issued by regulatory or judicial authorities requiring operations to case or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment or costly remedial actions. The Company may be required to compensate those suffering loss or damage by reason of its mineral exploration activities and may have civil or criminal fines or penalties imposed for violations of such laws, regulations and permits. The Company is not currently covered by any form of environmental liability insurance. See "Uninsured Risk".

TITLE RISKS

Although title to its properties has been reviewed by or on behalf of the Company, no assurance can be given that there are no title defects affecting the properties. Title insurance generally is not available for mining claims in Peru, and the Company's ability to ensure that it has obtained secure claim to individual mineral properties may be severely constrained. The properties may be subject to prior unregistered agreements or transfer, or native or government land claims, and title may be affected by undetected defects.

CONFLICT OF INTERESTS

The Company's directors may serve as directors or officers of other resource companies or have significant shareholdings in other resource companies that are similarly engaged in the business of acquiring, developing and exploiting natural resource properties. Such associations may give rise to conflicts of interest from time to time. The directors of the Company are required by law to act honestly and in good faith with a view to the best interests of the Company and to disclose any interest which they may have in any project or opportunity of the Company. If a conflict of interest arises at a meeting of the board of directors, any director in a conflict will disclose his interest and abstain from voting on such matter. In determining whether or not the Company will participate in any project or opportunity, the directors will primarily consider the degree of risk to which the Company may be exposed and its financial position at that time.

KEY EMPLOYEES

The management of the Company rests on a few key officers and members of the Board of Directors, the loss of any of whom could have a detrimental effect on its operations. The development of the Company's business is and will continue to be dependent on its ability to attract and retain highly qualified management and mining personnel. The Company faces competition for personnel from other employers.

FINANCIAL RISKS

METAL PRICE VOLATILITY

Even if the Company's exploration programs are successful, factors beyond the control of the Company may affect the marketability of any minerals discovered or processed at the Company's plant facilities. Resource prices have fluctuated widely, particularly in recent years, and are affected by numerous factors beyond the Company's control including international economic and political trends, inflation, currency exchange fluctuations, interest rates, global or regional consumption patterns, speculative activities, and worldwide production levels. The effect of these factors cannot accurately be predicted.

FOREIGN EXCHANGE RATE FLUCTUATIONS

The Company's activities and offices are currently located in Canada and Peru. The functional currency of the Company is the Canadian dollar. The assets, liabilities, revenues, and expenses of Peru operations are denominated in USD. The Company is a party to contracts denominated in USD. The Company is exposed to foreign exchange risks arising from the fluctuation of exchange rates between the USD and the Canadian dollar. The USD is subject to fluctuation in value vis-à-vis the Canadian Dollar. The Company does not utilize hedging programs to any degree to mitigate the effect of currency fluctuations.

CAPITAL NEEDS

To fund its growth, the Company may be dependent on securing the necessary capital through loans or permanent capital. The availability of this capital is subject to general economic conditions and lender and investor interest in the Company's projects. The exploration and evaluation, development, mining and processing of the Company's properties may require substantial additional financing. A source of future funds available to the Company is the sale of additional equity capital and the borrowing of funds. There is no assurance that such funding will be available to the Company or that it will be obtained on terms favorable to the Company or will provide the Company with sufficient funds to meet its objectives, which may adversely affect the Company's business and financial position.

In addition, any future equity financing by the Company may result in a substantial dilution of the existing shareholders. Failure to obtain sufficient financing may result in delaying or indefinite postponement of further exploration and evaluation, development or production on any or all of the Company's properties or even a loss of property interest.

CANADA CUSTOMS AND REVENUE AGENCY

No assurance can be made that Canada Customs and Revenue Agency will agree with the Company's characterization of expenditures as Canadian exploration expenses or Canadian development expenses or the eligibility of such expenses as Canadian exploration expenses under the Income Tax Act (Canada).

REPUTATIONAL RISK

The consequence of reputational risk is a negative impact to the Company's public image, which may influence its ability to acquire future mining projects and retain or attract key employees. Reputational risk may arise under many situations including, among others, cyber-attacks and media crisis. Prior to acquire a project, the Company mitigates reputational risk by performing due diligence, which includes a review of the mining project, the country, the scope of the project and local laws and culture. Once the decision to participate in a mining project has been taken, the Company continues to assess and mitigate reputational risk through regular Board and Board's Committees reviews.

CERTIFICATION OF ANNUAL FILINGS

The President and Chief Executive Officer and the Chief Financial Officer have signed the Basic Certifications of Annual Filings as required by National Instrument 52-109 for venture issuer, thus confirming, the review, the absence of misrepresentations and the fair presentation of the annual filings.

- The President and Chief Executive Officer and the Chief Financial Officer confirm to have reviewed the annual financial statements and the annual MD&A (together, the "annual filings") of the Company for the nine-months ended December 31, 2024.
- Based on their knowledge, having exercised reasonable diligence, the President and Chief Executive Officer and the Chief Financial Officer confirm that the annual filings do not contain any untrue statement of a material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it was made, for the period covered by the annual filings.

Based on their knowledge, having exercised reasonable diligence, the President and Chief Executive Officer and the Chief Financial Officer confirm that the annual financial statements together with the other financial information included in the annual filings fairly present in all material respects the financial condition, financial performance and cash flows of the issuer, as of the date of and for the period presented in the annual filings.