



MANAGEMENT'S DISCUSSION & ANALYSIS

For the three months ended June 30, 2025
(1st Quarter)



**CERRO DE
PASCO**
RESOURCES

MANAGEMENT'S DISCUSSION AND ANALYSIS

THREE-MONTH PERIODS ENDED JUNE 30, 2025 AND 2024

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-month period ended June 30, 2025. It includes a review of the Company's financial condition and review of operations for the three-month period ended June 30, 2025, as compared to the three-month period ended June 30, 2024.

This MD&A complements the condensed interim consolidated financial statements for the three-month period ended June 30, 2025, 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 June 30, 2025 and related notes thereto as well as the audited annual consolidated financial statements, accompanying notes and Management's Discussion and Analysis for the year ended March 31, 2025.

The condensed interim consolidated financial statements for the three-month period ended June 30, 2025, and 2024 have been prepared in accordance with the International Financial Reporting Standards ("IFRS") applicable to the preparation of condensed interim consolidated financial statements. The accounting policies applied in the financial statements are based on IFRS issued and effective as at June 30, 2025. On August 21, 2025, the Audit Committee of the Board of Directors approved for issuance, the condensed interim consolidated financial statements for the three-month period ended June 30, 2025.

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 August 21, 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.

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NATURE OF ACTIVITIES

Cerro de Pasco Resources Inc. ("CDPR" or the "Company") is a Canadian mining company focused on the development and reprocessing of historical mining waste at its 100%-owned El Metalurgista mining concession in central Peru. This flagship concession encompasses extensive silver-rich tailings and stockpiles accumulated over more than a century of mining at the Cerro de Pasco open pit. CDPR's mission is to transform legacy mining liabilities into economic, social, and environmental assets through a circular economy model.

The Company's strategy is multi-dimensional, combining technical innovation with a deep understanding of the region's geological and regulatory context. CDPR is uniquely positioned to unlock value from one of the world's largest above-ground mineral resources while addressing critical environmental remediation needs.

STRATEGIC OUTLOOK

The Company's strategy is centered on unlocking value from one of the world's largest above-ground polymetallic resources through reprocessing — a low-impact alternative to traditional mining. The growing significance of critical metals such as gallium, combined with strong social license and proximity to infrastructure, reinforces CDPR's competitive positioning. The potential for early-stage production, modest capital intensity, and alignment with circular economy principles further support the project's strategic appeal.

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.

These tailings were generated from the processing of over 16 million tonnes of copper-silver-gold mineralization with reported historical mined grades of up to 10% Cu, 4 g/t Au, and over 300 g/t Ag, followed by more than 58 million tonnes of zinc-lead-silver mineralized material with average historical mined grades of 7.41% Zn, 2.77% Pb, and 90.33 g/t Ag.

With minimal mining costs due to the surface-level nature of the material, CDPR's Quiulacocha Project stands out as one of Peru's most compelling tailings reprocessing initiatives. The project not only presents a significant economic opportunity but also supports environmental restoration and local employment.

On May 28, 2024, CDPR was granted a long-awaited land easement, enabling the Company to launch its Phase 1 drilling and engineering program. This phase includes sampling, geochemical and mineralogical studies, metallurgical testing, resource estimation, and economic assessment.

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THREE-MONTH PERIODS ENDED JUNE 30, 2025 AND 2024

BUSINESS DEVELOPMENT HIGHLIGHTS (FIRST QUARTER ENDING JUNE 30, 2025)

➤ Consolidated Assays Confirm High-Grade Mineralization and Strategic Gallium Potential

On April 9, 2025, the Company announced the consolidated results of its 40-hole Phase 1 drilling campaign at the Quiulacocha Tailings Project. The campaign, which covered a 300 × 1,000 m area, confirmed consistently high-grade silver, zinc, and lead mineralization across the deposit, while also revealing significant concentrations of gallium, a critical metal of growing strategic importance. Average grades across all holes were 52 g/t Ag, 1.5% Zn, 0.9% Pb, and 53 g/t Ga, with 9% of samples exceeding 100 g/t Ga. The results also confirmed pyrite as a major component (~50% of tailings), with ongoing mineralogical and metallurgical test work set to evaluate recoveries and economic contribution. A Phase 2 drilling campaign targeting the southern zone and areas outside the current concession is planned for H2 2025.

➤ Company to Pursue Secondary Listing on the Lima Stock Exchange

On May 15, 2025, the Company announced its intention to pursue a secondary listing on the Lima Stock Exchange (Bolsa de Valores de Lima, "BVL") to expand its presence in Latin America and enhance visibility among regional investors. CDPR will retain its primary listing on the TSX Venture Exchange. The listing application is expected within 30 days, with completion targeted in Q3 2025. Kallpa Securities SAB has been retained as CDPR's sponsor and advisor. The listing will be facilitated through the TSXV Passport Listing Process, which allows for streamlined dual listing without additional regulatory burden. A BVL listing is expected to broaden the shareholder base, improve liquidity, and support outreach to Peruvian and Andean institutional investors.

➤ Warrants Exercise

During the Quarter, a total of a total of 12,151,470 warrants were exercised ranging between CAD \$0.15 to \$0.25 per warrant, generating proceeds of CAD \$2,824,193.

BUSINESS DEVELOPMENT HIGHLIGHTS SUBSEQUENT EVENTS

➤ Listing on the Lima Stock Exchange

On July 17, 2025, the Company's common shares commenced trading on the Lima Stock Exchange (Bolsa de Valores de Lima – "BVL") under the symbol "CDPR", with Kallpa Securities S.A.B. acting as sponsoring broker. The BVL listing is a strategic milestone aimed at increasing visibility among Peruvian and Latin American investors, while maintaining the Company's primary listing on the TSX Venture Exchange.

➤ Warrants & Options Exercise

Between July and August 2025, several warrant holders exercised their warrants in an aggregate of 5,589,670. The exercise price ranged from CAD \$0.15 to \$0.40 per share and total proceeds were approximately CAD \$1,334,919.

Between July and August 2025, option holders exercised their options in an aggregate of 1,045,000. The exercise prices ranged from CAD \$0.15 to \$0.20 per share and total proceeds were approximately CAD \$197,500.

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The Quiulacocha Tailings and Excelsior Stockpile

➤ Highlights

- Strategically located at the center of a historic mining hub undergoing industrial consolidation in Cerro de Pasco.
- Exceptional scale, with approximately 150 million tonnes of surface material across tailings and stockpiles — forming one of the largest above-ground mineralized resources globally.
- Within the El Metalurgista concession, the Excelsior Stockpile hosts 42.9 million ounces of inferred silver (NI 43-101 compliant), offering significant growth potential.
- Multiple pathways to production under evaluation, including potential use of nearby permitted processing infrastructure.
- Strong social license and active collaboration with local authorities, underpinned by a deep ESG commitment.
- Management team with unique operational, political, and geological knowledge of Cerro de Pasco and its strategic infrastructure.
- Low initial capital intensity and robust economic fundamentals based on conservative development assumptions.



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THREE-MONTH PERIODS ENDED JUNE 30, 2025 AND 2024

➤ **El Metalurgista – Quiulacocha TSF – Quiulacocha Tailings Project**

Project Overview

- CDPR holds 100% ownership of the *El Metalurgista* mining concession (95.74 ha), which includes mineral rights covering 57 ha of the Quiulacocha Tailings Storage Facility (TSF).
- Located approximately 175 km NNE of Lima in the Region of Pasco, Peru.
- The site benefits from road access, power grid connectivity, water availability, and proximity to operational processing facilities.
- Tailings were generated through historical processing of copper-silver-gold and zinc-lead-silver ore from the Cerro de Pasco Mine, a well-known Cordilleran epithermal polymetallic system.

Development Stage

The TSF contains tailings produced from the Cerro de Pasco open-pit and underground mines. Early tailings originated from high-grade copper-silver-gold ore, with reported historical head grades of up to 10% Cu, 4 g/t Au, and over 300 g/t Ag. Later material was derived from zinc-lead-silver mineralization, with average historical grades of 7.41% Zn, 2.77% Pb, and 90.33 g/t Ag.

The Company believes the resource potential at Quiulacocha could expand significantly if CDPR is successful in acquiring additional government-owned surface rights adjacent to the *El Metalurgista concession*.

Drilling Results

Following the grant of the historic easement on May 28, 2024, and the subsequent authorization to initiate exploration activities on August 27, 2024, CDPR launched its Phase 1 drilling program at the Quiulacocha Tailings Project.

The program included:

- A 40-hole percussion and sonic drilling campaign
- Geophysical surveys
- Laboratory assay testing

The campaign was completed in October 2024. As announced in the Company's April 9, 2025 press release, assay results for all 40 drillholes have now been published, confirming strong and continuous mineralization across the target area. (see diagram below):

THREE-MONTH PERIODS ENDED JUNE 30, 2025 AND 2024



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THREE-MONTH PERIODS ENDED JUNE 30, 2025 AND 2024

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 utilized both percussion and sonic drilling techniques to ensure optimal sample quality.

On October 23, 2024, the Company completed the final hole of its 40-hole drilling campaign, ahead of the rainy season. Over 1,000 samples were collected from across a significant portion of the Quiulacocha Tailings deposit. Samples were stored in freezer containers and transported to the laboratory to maintain their integrity and prevent oxidation.

Laboratory Testing

All samples were securely stored and transported to Lima in freezer containers to preserve original mineral and chemical characteristics.

Testing was conducted at the Inspectorate Services Lab (Bureau Veritas) in Lima. Following geochemical and mineralogical analysis, representative composite samples will be selected for an advanced metallurgical testing program.

Assays were conducted using:

- Multi-element ICP (60-element scan)
- Atomic Absorption (for Zn, Pb, Cu, and Ga upper limits)
- Fire Assay for gold

Quality Assurance (QA) and Quality Control (QC)

Sample preparation for geochemical analysis included drying at 100°C and riffle splitting to obtain a 250g representative pulp. No sieving, crushing, or grinding was performed in order to preserve the natural grain size distribution.

All preparation and analytical work was carried out by Bureau Veritas under a comprehensive QA/QC program. CDPR's protocols included:

- Twin samples
- Coarse and pulp duplicate samples
- Standard reference materials
- Coarse blank material
- Additional verification at a secondary laboratory

Geophysics

CDPR has successfully completed Phase 1 of its geophysical program, focused on the dry areas of the Quiulacocha Tailings. Depth readings, conducted by Geomain Ingenieros S.A.C., ranged from 20 to over 40 meters across various target zones.

Metallurgical Testing

Following the completion of the Phase 1 drilling program, CDPR has advanced into mineralogical and metallurgical test work to evaluate recovery potential across silver, zinc, lead, copper, gold, gallium, and pyrite. Composite samples representing the full spatial and grade variability of the deposit have been selected for bench-scale analysis. The results of this test work will inform process design assumptions, support future resource classification, and guide engineering studies in advance of economic assessment.

On February 14, the Luleå University of Technology, located in Sweden, received 45 pulp samples sent by CDPR for the mineralogical study. On March 5, SGS Lakefield lab, located in Canada, received 101 pulp samples sent by CDPR for 5-phase sequential extraction tests. Both of these studies will provide input for the metallurgical test work, in relation to the main mineral species associated with the economic metals and their implications on mineral recovery methods, sequence, and technologies.

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THREE-MONTH PERIODS ENDED JUNE 30, 2025 AND 2024

EL METALURGISTA – EXCELSIOR STOCKPILE

- CDPR holds 100% ownership of the *El Metalurgista* mining concession (95.74 ha), which includes mineral rights covering approximately 35 ha of the Excelsior Stockpile.
- Located ~175 km NNE of Lima in the Region of Pasco, Peru.
- The site is fully accessible, with proximity to roads, water, grid power, and nearby operational processing infrastructure.
- The stockpile contains low-grade Zn-Pb-Ag mineralization from the Cerro de Pasco Mine, part of a Cordilleran-style epithermal polymetallic system.

Technical Overview

The Excelsior Stockpile covers a surface area of 67.92 ha and contains approximately 70 million tonnes (Mt) of broken rock. It was constructed between ~1970 and 1996 to store what was then considered uneconomic mineralization from the Raúl Rojas open pit.

Of this total, approximately 30 Mt lies within the El Metalurgista concession. An NI 43-101 compliant Mineral Resource Estimate prepared in 2020, by CSA Global, classifies the following:

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/m³ 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 the potential to increase significantly if CDPR can acquire government-owned surface rights adjacent to the *El Metalurgista* concession.

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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;
- Focus support on key areas such as health, education, inclusion of disadvantaged groups, and local economic development; and
- Proactively retreat and remediate environmental mining liabilities in accordance with high ethical standards, complying with all applicable laws, regulations, and internationally accepted norms — and exceeding them where possible

➤ Stakeholder Consultation

At CDPR, we ensure that all environmental and social permitting processes are grounded in robust community and stakeholder engagement. We maintain full transparency regarding project characteristics and potential environmental and social impacts throughout the mine lifecycle — from exploration and feasibility, through development, operation, and eventual closure.

➤ Land Use Agreements

On October 13, 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 expressed its support for the reprocessing of the Quiulacocha Tailings and approved CDPR's associated drilling and technical studies program. The objective of this program is to demonstrate the economic viability of tailings reprocessing and the potential for environmental rehabilitation.

On February 22, 2023, CDPR announced the extension of its surface rights agreement with the community of Quiulacocha to support Phase 1 of the Quiulacocha Tailings Project.

To fulfill requirements for exploration authorization, CDPR submitted a formal request on August 25, 2022 to the General Mining Bureau (DGM) to impose a 2-year easement over a section of Parcel "K", owned by Activos Mineros S.A.C. (AMSAC). The easement was successfully granted on May 28, 2024.

ENVIRONMENTAL AND PERMITTING STRATEGY

CDPR is progressing through the permitting framework required for the development of the Quiulacocha Tailings Project in accordance with Peruvian regulations. With land access and exploration authorization now secured, the Company is focused on completing baseline environmental studies and advancing the technical documentation needed to support future environmental and operational permits. The permitting strategy is designed to align with the phased development approach, with a focus on early-stage reprocessing and progressive environmental remediation.

CORPORATE OBJECTIVES FOR 2025

CDPR's corporate priorities for 2025 are focused on advancing the Quiulacocha Tailings Project through critical technical studies, permitting initiatives, and development-stage planning activities. Key objectives include:

- Completion and analysis of Phase 1 drillholes
- Completion of mineralogical studies
- Completion of metallurgical studies
- Formalization of claims on surrounding tailings
- Execution of an expanded Phase 2 drilling program targeting Cu-Ag-Au zones
- Completion of multi-disciplinary site scoping studies, including:

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- Geotechnical stability
- Hydrogeology and hydrology
- Environmental baseline
- Infrastructure trade-off analysis
- Logistics and marketing study
- Assessment of mining method options

CDPR continues to advance the Quiulacocha Tailings Project through a sequence of staged technical, regulatory, and community initiatives. With Phase 1 drilling now completed and consolidated assay results released, the Company is prioritizing metallurgical and mineralogical analysis, site-wide scoping studies, and formalization of surface claims. A Phase 2 drilling campaign is in planning, targeting southern extensions and copper-enriched zones. These initiatives are expected to support future resource classification and early-stage economic assessment.

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-months ended June 30, 2025 and 2024:

CERRO DE PASCO RESOURCES INC.

Mining properties
For the three-months ended June 30, 2025

	PERU		
	Quiulacocha tailings and Excelsior stockpile	Santander	Total
Mining Properties	\$	\$	\$
Additions	-	-	-
Adjustments and concessions	-	-	-
Balance, beginning of period	2,676,406	-	2,676,406
Balance, end of period	2,676,406	-	2,676,406

Mining properties
For the three-months ended June 30, 2024

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

Exploration and evaluation assets
For the three-months ended June 30, 2025

	PERU		
	Quiulacocha tailings and Excelsior stockpile	Santander	Total
Development, exploration and evaluation	\$	\$	\$
Exploration costs	173,165	-	173,165
Adjustments, concessions, and exchange	-	-	-
Balance, beginning of period	1,723,004	-	1,723,004
Balance, end of period	1,896,169	-	1,896,169

Exploration and evaluation assets
For the three-months ended June 30, 2024

	PERU		
	Quiulacocha tailings and Excelsior stockpile	Santander	Total
Development, exploration and evaluation assets	\$	\$	\$
Exploration costs	10,927	29,127	40,054
Adjustments, concessions, and exchange	-	(48)	(48)
Balance, beginning of period	144,111	7,949,104	8,093,215
Balance, end of period	155,038	7,978,183	8,133,221

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.

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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, 2025.

Use of estimates and judgements

Please refer to Note 3 of the 2025 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

There were no changes in accounting policy to disclose during the three-month period ended June 30, 2025.

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, 2025, 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.

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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

	6/30/2025	3/31/2025	12/31/2024	9/30/2024	6/30/2024	3/31/2024	12/31/2023	9/30/2023	6/30/2023
	2025	2025	2024	2024	2024	2024	2023	2023	2023
	Q1	Q4	Q3	Q2	Q1	Q5	Q4	Q3	Q2
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION									
Cash and cash equivalents	12,095,674	11,472,112	10,782,461	2,472,284	166,562	136,721	322,294	530,939	1,563,191
Cash and cash equivalents - restricted	-	-	-	-	4,589,876	6,479,134	4,589,876	4,589,876	4,575,332
Accounts receivable	-	-	-	2,402	605	778,321	51,874	757,931	444,274
Other financial assets	50,507	48,016	45,451	67,018	47,533	50,852	51,975	50,965	44,282
Other receivables	369,280	153,493	498,583	276,018	1,226,115	1,030,522	7,602,557	6,389,600	6,077,822
Income and mining taxes receivable	-	-	-	-	1,730	304,956	150,800	147,418	146,794
Inventories	-	-	-	-	1,822,429	1,866,670	1,847,761	2,500,584	2,243,973
Prepaid expenses	171,989	110,009	59,086	35,462	256,351	306,410	141,392	378,362	310,055
Property, plant & equipment	32,133	31,534	14,804	28,439	10,238,052	10,554,664	10,222,187	11,146,643	11,535,465
Right-of-use assets	54,910	54,970	60,678	-	-	-	-	-	-
Other receivables, net of current portion	-	-	-	-	5,977,953	6,355,303	-	-	-
Mining properties, exploration and evaluation assets	4,572,575	4,399,410	3,543,072	2,866,312	10,559,627	9,546,461	9,518,948	9,515,819	9,484,124
Other intangibles	-	-	-	-	-	-	-	-	-
Intercompany	-	-	-	-	-	-	-	-	-
Total assets	17,347,068	16,269,544	15,004,135	5,747,935	34,886,833	37,410,014	34,499,664	36,006,137	36,425,312
Trade accounts payable and other liabilities	1,010,589	1,384,065	2,000,210	2,287,208	54,757,521	53,839,715	50,398,855	48,281,556	43,896,107
Lease liabilities	3,230	5,991	11,803	-	-	-	-	-	-
Promissory note	-	-	-	-	477,785	458,159	426,180	428,994	438,074
Balance of purchase payable	1,584,164	1,584,164	1,584,847	1,687,102	1,663,873	1,680,726	1,717,847	1,684,472	1,720,125
Current portion of contingent consideration payable	2,500,000	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
Current portion of loans	-	-	-	-	3,568,959	3,568,959	3,443,352	2,448,522	28,178
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
Provision for taxes payable	-	-	-	-	279,058	279,058	279,058	1,725,501	1,803,393
Commitment to issue shares	-	-	-	-	7,380	2,064,227	-	-	-
Total current liabilities	5,097,983	5,474,220	6,982,550	8,323,478	64,708,571	65,949,026	60,204,107	58,645,128	49,281,143
Loan	4,327,851	4,073,314	2,222,866	2,094,462	27,303	28,749	178,043	212,732	-
Lease liabilities, net of current	52,744	50,054	50,074	-	-	-	-	-	-
Deferred income tax	-	-	-	-	53,358	53,362	1,050,018	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
Total non-current liabilities	4,380,395	4,123,368	2,272,940	2,094,462	12,270,688	12,272,138	14,352,501	14,415,929	16,703,197
Equity (Deficiency)	7,868,690	6,671,956	5,748,645	(4,670,005)	(42,092,426)	(40,811,150)	(40,056,944)	(37,052,920)	(29,559,028)

MANAGEMENT'S DISCUSSION AND ANALYSIS

THREE-MONTH PERIODS ENDED JUNE 30, 2025 AND 2024

CERRO DE PASCO RESOURCES INC.
MDA - Two Year Quarterly Result Disclosure
For the period ended June 30, 2025

CERRO DE PASCO RESOURCES INC.
SELECTED QUARTERLY FINANCIAL INFORMATION

CERRO DE PASCO RESOURCES INC.
SELECTED QUARTERLY FINANCIAL INFORMATION

CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS

	6/30/2025	3/31/2025	12/31/2024	9/30/2024	6/30/2024	3/31/2024	12/31/2023	9/30/2023	Note: the below 6/30/2023
	USD	USD	USD	USD	USD	USD	USD	USD	USD
	6/30/2025	3/31/2025	12/31/2024	9/30/2024	6/30/2024	3/31/2024	12/31/2023	9/30/2023	6/30/2023
	2026	2025	2024	2024	2024	2024	2023	2023	2023
	Q1	Q4	Q3	Q2	Q1	Q5	Q4	Q3	Q2
			\$	\$	\$	\$	\$	\$	\$
Expenses:									
General and administrative expenses	1,303,823	2,385,495	1,052,111	1,372,924	837,924	52,782	533,526	865,200	1,696,556
Operating income (loss) before other income (expenses) and income tax	(1,303,823)	(2,385,495)	(1,052,111)	(1,372,924)	(837,924)	(52,782)	(533,526)	(865,200)	(1,696,556)
Other income (expenses)									
Other and financial income	(33,141)	750,088	95,268	-	-	52,930	537	7	(361)
Financial expenses	(172,487)	(191,672)	(316,100)	(154,993)	(183,794)	(32,383)	(103,176)	(177,894)	(93,043)
Change in fair value of other financial assets	-	1,817	(17,825)	18,817	(2,809)	(5)	90	8,015	(26,733)
Loss on extinguishment of convertible debt	-	40	65	(3,691)	-	(108,801)	-	-	-
Gain (loss) on restructuring and modification of note	-	(777,502)	-	6,279,835	-	(38,768)	-	-	-
Loss on modification of convertible debt	-	(285,124)	(1,734)	97,316	-	(44,976)	-	-	-
Change in fair value of contingent consideration	(20,985)	(265,089)	246,966	(12,623)	(8,797)	(1)	19	31	6
Gain on sale of subsidiary	-	5,300,685	-	30,562,850	-	(4,378)	-	22,409	117,962
Total other income (expense)	(226,613)	4,533,243	6,640	36,787,511	(195,400)	(189,471)	(218,074)	99,444	112,293
Income Taxes	-	-	-	-	-	-	-	-	-
Net income (loss) from continuing operations	(1,530,436)	2,147,748	(1,045,471)	35,414,587	(1,033,324)	(242,253)	(751,600)	(765,756)	(1,584,263)
Other comprehensive income (loss) from continuing operations									
Currency translation adjustment	623,264	(22,284)	(92,390)	(33,668)	22,316	86,008	(71,558)	82,205	(78,743)
Other comprehensive income (loss) net of tax	623,264	(22,284)	(92,390)	(33,668)	22,316	86,008	(71,558)	82,205	(78,743)
Net comprehensive income (loss) from continuing operations	(907,172)	2,125,464	(1,137,861)	35,380,919	(1,011,008)	(156,245)	(823,158)	(683,551)	(1,663,006)
Net income (loss) from discontinued operations	-	(5,300,686)	-	(2,891,581)	(2,693,136)	(285,570)	(3,294,189)	(7,243,866)	(9,360,397)
Other comprehensive income (loss) from discontinued operations	-	-	-	-	331	-	1,097	(986)	1,385
Net comprehensive income (loss) from discontinued operations	-	(5,300,686)	-	(2,891,581)	(2,692,805)	(285,570)	(3,293,092)	(7,244,852)	(9,359,012)
Net comprehensive income (loss) - continuing operations and discontinued operations	(907,172)	(3,175,222)	(1,137,861)	32,489,338	(3,703,813)	(441,815)	(4,116,250)	(7,928,403)	(11,022,018)
Net income (loss) attributable to:									
Shareholders of Cerro de Pasco Resources Inc.	(1,530,436)	(3,152,938)	(1,045,471)	32,523,006	(3,726,460)	(527,823)	(4,045,789)	(8,009,605)	(10,944,339)
Non-controlling interest	-	-	-	-	-	-	-	(17)	(321)
	(1,530,436)	(3,152,938)	(1,045,471)	32,523,006	(3,726,460)	(527,823)	(4,045,789)	(8,009,622)	(10,944,660)
Other comprehensive income (loss) attributable to:									
Shareholders of Cerro de Pasco Resources Inc.	623,264	(22,284)	(92,390)	(33,668)	22,316	86,008	(70,780)	81,197	(77,635)
Non-controlling interest	-	-	-	-	-	-	-	27	-
Net comprehensive income (loss) attributable to:									
Shareholders of Cerro de Pasco Resources Inc.	(907,172)	(3,175,222)	(1,137,861)	32,489,338	(3,704,144)	(441,815)	(4,116,569)	(7,928,408)	(11,021,974)
Non-controlling interest	-	-	-	-	-	-	-	5	(44)
	(907,172)	(3,175,222)	(1,137,861)	32,489,338	(3,704,144)	(441,815)	(4,116,569)	(7,928,403)	(11,022,018)
Weighted averages shares outstanding - basic	513,875,068	493,397,109	455,786,905	411,662,435	359,698,049	345,078,975	335,953,543	324,338,165	316,148,489
Weighted average shares outstanding - diluted	513,875,068	453,964,859	455,786,905	572,501,876	359,698,049	345,078,975	335,953,543	324,338,165	316,148,489
Basic income (loss) per share - continuing operations	(0.00)	0.00	(0.00)	0.09	(0.00)	(0.00)	(0.00)	(0.00)	(0.01)
Diluted income (loss) per share - continuing operations	(0.00)	0.00	(0.00)	0.06	(0.00)	(0.00)	(0.00)	(0.00)	(0.01)
Basic and diluted income (loss) per share - discontinued operations	-	(0.01)	-	(0.01)	(0.01)	(0.00)	(0.01)	(0.02)	(0.03)
Basic income (loss) per share	(0.00)	(0.01)	(0.00)	0.08	(0.01)	(0.00)	(0.01)	(0.02)	(0.03)
Diluted income (loss) per share	(0.00)	(0.01)	(0.00)	0.06	(0.01)	(0.00)	(0.01)	(0.02)	(0.03)

The net loss of \$1,530,436 for Q1-2026 (three-months ended June 30, 2025) is mainly attributable to corporate, general and administrative expenses such as salaries, consulting and legal expense.

The net loss of \$3,152,938 for Q4-2025 (three-months ended March 31, 2025) is mainly attributable to corporate, general and administrative expenses such as salaries, consulting and legal expense.

The net loss of \$1,045,471 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 \$32,523,006 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 \$3,726,460 for Q1-2025 (three-months ended June 30, 2024) is mainly attributable to net losses from discontinued operations for the Santander mining operations of \$2,693,136.

The net loss of \$527,823 for Q5-2024 (three-months ended March 31, 2024) is mainly attributable to net losses from discontinued operations for the Santander mining operations of \$285,570.

The net loss of \$4,045,789 for Q4-2023 (three-months ended December 31, 2023) is mainly attributable to net losses from discontinued operations for the Santander mining operations of \$3,294,190.

The net loss of \$8,009,605 for Q3-2023 (three-months ended September 30, 2023) is mainly attributable to net losses from discontinued operations for the Santander mining operations of \$7,243,866.

The net loss of \$10,944,339 for Q2-2023 (three-months ended June 30, 2023) is mainly attributable to net losses from discontinued operations for the from Santander mining operations of \$9,360,397. Increases in cost of sales led to a larger gross loss quarter-over-quarter.

MANAGEMENT'S DISCUSSION AND ANALYSIS

THREE-MONTH PERIODS ENDED JUNE 30, 2025 AND 2024

RESULTS OF CONTINUING OPERATIONS FOR THE THREE-MONTH PERIOD ENDED JUNE 30, 2025

Net loss

The basic and diluted losses from continuing operations per share for the three-month periods ended June 30, 2025 and 2024 is \$0.00 and \$0.00, respectively.

During the quarter ended June 30, 2025, the Company realized a net loss from continuing operations of \$1,530,436 as compared to a net loss from continuing operations of \$1,033,324 for the quarter ended June 30, 2024.

The increase in net loss from continued operations of \$497,112 is primarily due to an increase in general and administrative expenses of \$465,899.

Operating expenses

During the three-month period ended June 30, 2025, operating expenses from continuing operations were \$1,303,823 as compared to \$837,924 for the three-month period ended June 30, 2024. The increase in operating expenses of \$465,899 is attributable to the increase in general and administrative expenses.

Other Income (expenses)

During the three-month period ended June 30, 2025, total other expense from continuing operations was \$226,613 as compared to other expenses of \$195,400 for the three-month period ended June 30, 2024.

The net increase in other expense of \$31,213 is mainly attributable to increases in other financial expense and exchange loss of \$33,141 and \$12,188, respectively. The increases are partially offset by decreases in financial expense and change in fair value of other financial assets of \$11,307 and \$2,809, respectively.

CASH FLOWS

Cash flows used for operating activities

Cash flows used in continuing operating activities were \$(1,915,156) for the three months ended June 30, 2025, an increase of \$1,001,445 compared to \$(913,711) for the same period in 2024. The increase in cash used was primarily driven by a \$497,112 increase in net loss from continuing operations during the three-month period and a \$(651,243) decrease in continuing working capital items during the period.

Cash flows used for investing activities

Cash flows used in continuing investing activities were \$(173,165) for the three months ended June 30, 2025, a decrease of \$810,922 compared to \$(984,087) for the same period in 2024. The decrease was primarily driven by a \$973,160 reduction in cash outflows related to mining concessions and mining development, partially offset by a \$162,238 increase in cash outflows for the acquisition of exploration and evaluation assets.

Cash flows provided by financing activities

Cash flows provided by financing activities totaled \$2,088,619 for the three months ended June 30, 2025, an increase of \$41,793 compared to \$2,046,826 for the same period in 2024. The increase was primarily driven by higher proceeds from the exercise of warrants totaling \$2,088,619, along with a \$16,244 reduction in share issuance costs and a \$1,157 decrease in loan repayments. These increases were partially offset by a \$2,064,227 decline in proceeds from share issuances.

MANAGEMENT'S DISCUSSION AND ANALYSIS

THREE-MONTH PERIODS ENDED JUNE 30, 2025 AND 2024

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 months ended	
	June 30, 2025	June 30, 2024
	\$	\$
Management and consulting fees	234,360	186,041
Director's salaries and fees	103,742	98,509
Share-based compensation	-	-
	338,102	284,550

As of June 30, 2025, the Company owed \$63,699 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 27 of the audited financial statements for the year ended March 31, 2025, for a summary of the Company's commitments and contingencies.

Off-financial position arrangements

As of June 30, 2025, the Company had no off-financial position arrangements.

Going concern assumption

The accompanying condensed interim 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 condensed interim 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.

MANAGEMENT'S DISCUSSION AND ANALYSIS

THREE-MONTH PERIODS ENDED JUNE 30, 2025 AND 2024

Liquidity and capital resources

For the three months ended June 30, 2025, the Company recorded a net loss from continuing operations of \$1,530,436. The accumulated deficit of \$49,914,936 as of June 30, 2025 (\$76,681,354 as of June 30, 2024) is attributable to all sectors of the Company. As of June 30, 2025, the Company had a working capital of \$7,589,467 (deficit of \$56,597,370 as of June 30, 2024). These circumstances cast significant doubt regarding the Company's ability to continue as a going concern. The Company's ability to continue operations is dependent on securing future funding through various means, including, but not limited to, the issuance of new equity instruments and the renegotiation of existing debt and payables. 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. Such conditions raise substantial doubts about the company's ability to continue as a going concern for one year from the date the financial statements are issued.

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 Strategy

The Company's 2025 technical and permitting programs are being funded from existing cash reserves and proceeds from the ongoing exercise of warrants. A significant number of warrants have already been exercised during the first half of the year, and CDPR anticipates this trend to continue. The Company is allocating capital with discipline, prioritizing expenditures that directly advance its core project milestones while maintaining a strong working capital position.

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 condensed interim consolidated financial statements:

	Number of shares outstanding (diluted)
Outstanding as of August 21, 2025	528,075,643
Shares reserved for issuance pursuant to share purchase options	19,380,000
Shares reserved for issuance pursuant to warrants	129,968,407
Total	677,424,050

MANAGEMENT'S DISCUSSION AND ANALYSIS

THREE-MONTH PERIODS ENDED JUNE 30, 2025 AND 2024

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	0.0
September 5, 2025	850,000	850,000	0.20	0.0
March 2, 2027	1,040,000	1,040,000	0.40	1.5
April 16, 2027	150,000	150,000	0.15	1.7
September 5, 2028	3,000,000	3,000,000	0.20	3.0
April 10, 2029	250,000	250,000	0.15	3.6
September 19, 2029	12,000,000	12,000,000	0.20	4.1
	19,380,000	19,380,000	0.23	3.1

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)
August 26, 2025		500,000	0.50	0.0
September 26, 2025		500,000	0.50	0.1
September 29, 2025		1,108,000	0.15	0.1
September 29, 2025	**	1,295,000	0.25	0.1
October 6, 2025		1,500,000	0.15	0.1
October 6, 2025	**	1,549,000	0.25	0.1
November 20, 2025		5,475,000	0.15	0.2
November 20, 2025	**	5,525,000	0.25	0.2
November 26, 2025		400,000	0.25	0.3
December 22, 2025		400,000	0.25	0.3
January 17, 2026		814,200	0.15	0.4
January 17, 2026	**	1,010,900	0.25	0.4
January 26, 2026		400,000	0.25	0.4
February 26, 2026		400,000	0.25	0.5
March 28, 2026		1,425,000	0.15	0.6
March 28, 2026	**	1,425,000	0.25	0.6
April 8, 2026		4,140,427	0.50	0.6
May 24, 2026		12,285,440	0.15	0.8
May 24, 2026	**	12,285,440	0.25	0.8
July 5, 2026	*	31,030,000	0.15	0.9
September 26, 2026	*	10,000,000	0.20	1.1
November 27, 2026		3,000,000	0.25	1.3
November 27, 2026		25,000,000	0.50	1.3
November 27, 2026		1,000,000	0.50	1.3
January 21, 2028		5,000,000	0.15	2.4
May 1, 2028		2,500,000	0.15	2.7
		129,968,407	0.26	0.9

* Under the terms of the warrant agreement, the warrants are subject to acceleration of the expiry date, at the discretion of the Company, in the event that the 20-day volume-weighted average trading price of the common shares on the TSX-V exceeds CAD \$0.60.

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

MANAGEMENT'S DISCUSSION AND ANALYSIS

THREE-MONTH PERIODS ENDED JUNE 30, 2025 AND 2024

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.

CRITICAL 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

MANAGEMENT'S DISCUSSION AND ANALYSIS

THREE-MONTH PERIODS ENDED JUNE 30, 2025 AND 2024

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.

MANAGEMENT'S DISCUSSION AND ANALYSIS

THREE-MONTH PERIODS ENDED JUNE 30, 2025 AND 2024

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 interim 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.

MANAGEMENT'S DISCUSSION AND ANALYSIS

THREE-MONTH PERIODS ENDED JUNE 30, 2025 AND 2024

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

MANAGEMENT'S DISCUSSION AND ANALYSIS

THREE-MONTH PERIODS ENDED JUNE 30, 2025 AND 2024

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 cease 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, incomes, 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.

MANAGEMENT'S DISCUSSION AND ANALYSIS

THREE-MONTH PERIODS ENDED JUNE 30, 2025 AND 2024

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 INCOME AGENCY

No assurance can be made that Canada Customs and Income 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 INTERIM FILINGS

The Chief Executive Officer and the Chief Financial Officer have signed the Certifications of Interim Filings as required by National Instrument 52-109 for venture issuers, confirming their review, the absence of misrepresentations, and the fair presentation of the interim filings.

- The Chief Executive Officer and the Chief Financial Officer confirm that they have reviewed the interim financial statements and the interim MD&A (together, the "interim filings") of the Company for the three-month period ended June 30, 2025.
- Based on their knowledge, having exercised reasonable diligence, the Chief Executive Officer and the Chief Financial Officer confirm that the interim 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 interim filings.
- Based on their knowledge, having exercised reasonable diligence, the Chief Executive Officer and the Chief Financial Officer confirm that the interim financial statements, together with the other financial information included in the interim filings, fairly present in all material respects the financial condition, financial performance, and cash flows of the Company, as of the date of and for the period presented in the interim filings.