ATICO MINING CORPORATION

MANAGEMENT'S DISCUSSION & ANALYSIS
(Expressed in United States Dollars)

For the three and six months ended June 30, 2024 and 2023

Atico Mining Corporation
Corporate Office: Suite 501 - 543 Granville Street, Vancouver BC, Canada V6C 1X8 T +1 (604) 633-9022

GENERAL

This management's discussion and analysis ("MD&A") for Atico Mining Corporation (the "Company" or "Atico") is intended to help the reader understand the significant factors that have affected Atico and its subsidiaries performance and such factors that may affect its future performance. This MD&A, which has been prepared as of August 20, 2024, should be read in conjunction with the Company's condensed interim consolidated financial statements for the three and six months ended June 30, 2024 and the related notes contained therewith. The Company reports its financial position, financial performance and cash flows in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB"). All dollar amounts included in the following MD&A are in the United States ("US") dollars except where noted. These documents and other information relevant to the Company's activities are available for viewing on SEDAR+ at www.sedarplus.ca.

This MD&A refers to certain non-GAAP financial measures such as cash cost per tonne of processed ore and cash cost per pound of payable copper produced, used by the Company to manage and evaluate operating performance. These measures are widely reported in the mining industry but do not have a standardized meaning and may differ from methods used by other companies with similar descriptions. The Company believes that certain investors use these non-GAAP financial measures to evaluate the Company's performance. Accordingly, non-GAAP financial measures should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. To facilitate a better understanding of these measures as calculated by the Company, we have provided detailed descriptions and reconciliations as required.

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COMPANY OVERVIEW

The Company was incorporated under the laws of the Yukon Territory on April 15, 2010, continued pursuant to the laws of British Columbia effective October 17, 2011, and its fiscal year end is December 31. The Company is headquartered at Suite 501 - 543 Granville Street, Vancouver, British Columbia, Canada and has regional offices in Colombia, Peru, and Ecuador.

The Company is engaged in copper-gold mining and related activities including exploration, development, extraction, and processing in Colombia and the acquisition, exploration and development of copper and gold projects in Latin America. The Company completed its initial public offering ("IPO") in March 2012. In conjunction with the IPO, Atico began trading on the TSX Venture Exchange ("TSX-V") under the symbol "ATY".

On November 22, 2013, the Company completed the exercise of its mineral property purchase option, acquiring 90% of the shares of Minera El Roble S.A. ("MINER"), the owner of the El Roble mineral property and took control of the producing El Roble mine and 6,355 hectares of surrounding claims. MINER's principal asset is the operating El Roble underground copper-gold-silver mine and processing plant, located in Choco, Colombia. With a historic nominal capacity of 400 tonnes per day, the mine had processed over twenty-three years, 1.5 million tonnes of ore at an average head grade of 2.6% copper and an estimated gold grade of 2.5 grams per tonne ("g/t"). Since obtaining control of the mine on November 22, 2013, the Company has upgraded the operation from the historic nominal capacity of 400 tonnes per day to the current nominal capacity of 1,000 tonnes per day.

On September 11, 2019, the Company completed the acquisition of Toachi Mining Inc. ("Toachi") in a share exchange pursuant to a plan of arrangement. Toachi owned 60% of Compania Minera La Plata S.A. ("CMLP") and had an option agreement to earn up to a 75% ownership in CMLP which owns the two concessions comprising the La Plata project in Ecuador, a gold-rich volcanogenic massive sulphide ("VMS") deposit that was the subject of small-scale mining from 1975-1981 by Outokumpu Finland. The La Plata project covers a total area of 2,235 hectares along its 9-kilometer length, which contains known mineralization in two VMS lenses and nine priority exploration targets.

On August 20, 2021, the Company acquired the remaining 40% of the issued and outstanding shares of CMLP. The acquisition was completed pursuant to a share purchase agreement and as a result of the acquisition, CMLP is now a wholly-owned subsidiary of the Company.

In December 2021, the Company entered into an agreement with the mining authority (the "National Mining Agency") in Colombia related to an ongoing royalty dispute. While the Company maintains it has complied with the royalty payments due and called for under the mining contract for the El Roble mining property, this agreement allows for the Company to be recognized as being formally in good standing with the National Mining Agency, enabling the Company to apply for a new mining contract on the property. The mining contract and related title expired on January 23, 2022, where the Company has been allowed to continue operating while the process for the contract and title renewal continues. The Company and the National Mining Agency agreed to settle the royalty dispute via binding arbitration at the Center for Arbitration and Conciliation of the Bogota Chamber of Commerce for the purposes of seeking an expedited resolution to the ongoing claim. In addition, the Company entered into a five-year payment plan (the "Payment Plan"), amended in June 2022, payable in biannual instalments for a total amount of COP$101,217,832,270 (approximately $24.4 million) plus interest at a 6% annual rate. To the extent that a final ruling is made in favor of the Company, the Payment Plan will cease, and any amounts already paid are to be reimbursed to the Company or offset against future royalty obligations.

While to date the National Mining Agency has allowed continued operation of El Roble, in the event that title renewal is not extended, operations of El Roble would cease and related assets would be impaired. This material uncertainty may put significant doubt on the Company's ability to continue as a going concern.

SECOND QUARTER 2024 FINANCIAL AND OPERATING HIGHLIGHTS

- Sales for the quarter decreased 11% to $10.9 million when compared with $12.2 million in Q2-2023. Copper ("Cu") and gold ("Au") accounted for 76% and 24% of the 5,603 (Q2-2023 – 6,597) dry metric tonnes ("DMT") sold during Q2-2024.

- The average realized price per metal was $4.34 (Q2-2023 - $3.92) per pound of copper and $2,303 (Q2-2023 - $1,938) per ounce of gold.

- Income from operations was $0.9 million (Q2-2023 – $0.6 million loss) while cash flows from operations, before changes in working capital, was $2.5 million (Q2-2023 – $3.0 million). Cash used for capital expenditures amounted to $2.1 million (Q2-2023 - $3.0 million).

- Net loss for the quarter amounted to $0.4 million, compared to $0.1 million net income for the comparative quarter.

- Ending working capital was negative $4.3 million (December 31, 2023 – $2.1 million) impacted by the Company selling only 61% of the concentrate produced in Q2-2024 due to a delayed June start of vessel-loading activities, which extended into July 2024. The Company had $6.1 million (December 31, 2023 - $6.0 million) in long-term loans payable.

- Cash costs were $131.07 per tonne of processed ore and $1.48 per pound of payable copper produced, which was an increase of 5% and a decrease of 33% over Q2-2023, respectively (refer to non-GAAP Financial Measures). The decrease in cash cost per pound of payable copper produced compared to the comparative period is primarily due to higher amounts of payable copper from increased copper grade, as well as higher gold (by-product) credits from increased gold grade and gold price.

- Cash margin was $2.86 (Q2-2023 - $1.70) per pound of payable copper produced, which was an increase of 68% over Q2-2023 (refer to non-GAAP Financial Measures) due to the decrease in cash cost per pound (above) as well as the increase in realized copper price.

- All-in sustaining cash cost per payable pound of copper produced was $2.32 (Q2-2023 - $3.28) (refer to non-GAAP Financial Measures), a reduction that is primarily due to the decrease in cash cost per pound (above).

- The Company produced 9,197 (Q2-2023 – 6,784) DMT of concentrate with a metal content of 3.7 million (Q2-2023 – 2.8 million) pounds ("lbs") of copper and 2,850 (Q2-2023 – 2,313) ounces ("oz") of gold.

- Processed tonnes increased 4% to 71,079 compared to 68,471 in Q2-2023.

- On April 30, 2024, the Company reported an updated NI 43-101 mineral resource and reserve estimate for El Roble, increasing the mineral reserve estimate to 828 thousand tonnes averaging 2.49% Cu and 2.20 g/t Au and extending the Life of Mine to Q1-2027.

Subsequent Events to the Reporting Date:

- On July 2, 2024, the Company reported results of the La Plata Feasibility Study prepared in accordance with National Instrument 43-101 Standards and filed on SEDAR+ on August 14, 2024. Highlights can be found in La Plata overview of this MD&A.

- On August 8, 2024, the Company announced that it has entered into an amendment and restatement agreement with Trafigura PTE. LTD. (the "Lender") to amend the US$ 10 million credit agreement entered into with the Lender on February 2022, by extending the maturity date of the credit facility from August 8, 2024, to July 31, 2026.

RESULTS OF OPERATIONS

El Roble mine review

The El Roble mine is an underground copper, gold and silver mine and processing plant located in the Department of Choco in Colombia. Its commercial product is a copper concentrate with gold and silver by-product credits.

For over twenty-three years, the mine had processed, with an historic nominal capacity of 400 tonnes per day, a total of over 1.5 million tonnes of ore at an average head grade of 2.6% copper and an estimated gold grade of 2.5 g/t. In 2018, the operation completed an expansion to a nominal capacity of 1,000 tonnes per day. Copper and gold mineralization at the El Roble property occurs in volcanogenic massive sulfide lenses.

The Company continues to work towards obtaining a new contract to renew title on its claims hosting the El Roble property, as its 30-year contract expired on January 23, 2022. The Company has been allowed to continue operating the El Roble mine while the process for the contract and title renewal continues. The Company is working diligently with the National Mining Agency for the issuance of the new title, and while the Company believes the process is progressing favourably, no assurance can be made that the renewal will be obtained.

The table below shows the main variables used by management to measure operating performance of the mine: throughput, grade, recovery, metal production and cost.

El Roble operating performance

	YTD 2024	Q2 2024	Q1 2024	YTD 2023	Q2 2023	Q1 2023
Production (contained metals)[(1)]						
Copper (000 lbs)	**7,059**	**3,710**	**3,349**	5,113	2,803	2,310
Gold (oz)	**5,035**	**2,850**	**2,185**	4,867	2,313	2,553
Silver (oz)	**18,145**	**9,972**	**8,174**	16,161	7,826	8,335
Mining						
Material (tonnes)	**135,699**	**70,826**	**64,873**	132,908	72,340	60,568
Milling						
Milled (tonnes)	**136,866**	**71,079**	**65,787**	131,264	68,471	62,793
Tonnes per day	**832**	**852**	**811**	774	799	747
Copper grade (%)	**2.55**	**2.57**	**2.52**	1.96	2.04	1.87
Gold grade (g/t)	**1.81**	**1.95**	**1.67**	1.99	1.80	2.23
Silver grade (g/t)	**8.91**	**9.30**	**8.49**	10.29	9.98	11.20
Recoveries						
Copper (%)	**91.9**	**92.0**	**91.8**	90.2	90.6	89.2
Gold (%)	**63.0**	**64.2**	**61.7**	57.9	58.4	57.0
Silver (%)	**46.8**	**47.3**	**46.3**	37.1	36.6	37.5
Concentrate						
Cu concentrate produced (DMT)	**17,471**	**9,197**	**8,274**	12,599	6,789	5,815
Copper (%)	**18.3**	**18.3**	**18.4**	18.4	18.7	18.0
Gold (g/t)	**9.0**	**9.6**	**8.2**	12.0	10.5	13.7
Silver (g/t)	**32.3**	**33.7**	**30.7**	39.5	34.9	44.8
Payable copper produced (000 lbs)	**6,635**	**3,487**	**3,148**	4,808	2,639	2,169
Cash cost per pound of payable copper produced[(2)]	**2.00**	**1.48**	**2.57**	2.21	2.22	2.20

[(1)] May be subject to adjustments due to final settlement and final assays
[(2)] Net of by-product credits (refer to non-GAAP Financial Measures)

In Q2-2024, the Company produced 3.7 million lbs of copper, 2,850 oz of gold, and 9,972 oz of silver.

During the quarter, the mill operated for 84 days, a decrease of 2% compared to 86 days in Q2-2023. Average copper and gold head-grades increased by 26% and 8%, respectively relative to the same period in 2023.

Recoveries were 92.0% (Q2-2023 – 90.6%) for copper and 64.2% (Q2-2023 – 58.4%) for gold.

Cash costs were $131.07 per tonne of processed ore and $1.48 per pound of payable copper produced, which was an increase of 5% and a decrease of 33% over Q2-2023, respectively (refer to non-GAAP Financial Measures). The decrease in cash cost per pound of payable copper produced compared to the comparative period is primarily due to a higher amount of payable copper produced from increased copper grade, as well as higher gold (by-product) credits from increased gold grade and gold price.

For Q2-2024, the all-in sustaining cash cost net of by-product credits was $2.32 (Q2-2023 - $3.28) per pound of payable copper produced (refer to non-GAAP Financial Measures), which represents a 29% decrease over Q2-2023.

Cash used for capital expenditure activities at El Roble mine during Q2-2024 were $1.3 million (Q2-2023 - $2.3 million), primarily due to mine (underground) exploration and development.

The drift-and-fill mining method continues in Zeus with ore being sourced throughout the period from primary and secondary stopes from eight sublevels from the 1,702 to the 1,857 level.

On April 30, 2024, The Company reported an updated NI 43-101 mineral resource and reserve estimate as of March 12, 2024 for the El Roble Mine, including highlights of:

- Measured and Indicated Mineral Resources estimated at 881 thousand tonnes averaging 3.40% Cu, and 2.98 g/t Au.
- Proven and Probable Mineral Reserves estimated at 828 thousand tonnes averaging 2.49% Cu, and 2.20 g/t Au.
- A conversion rate of 88% of Measured and Indicated resources to Proven and Probable reserve categories over the current resource estimate.
- Life of Mine extension until first quarter of 2027.

(Expressed in US dollars, unless otherwise indicated)

Concentrate Inventory

Amounts in dry metric tonnes	**Q2 2024**	Q2 2023	**YTD 2024**	YTD 2023
Opening inventory	**7,002**	6,647	**8,227**	7,326
Production	**9,197**	6,784	**17,471**	12,599
Sales	**(5,603)**	(6,597)	**(14,986)**	(13,071)
Adjustments	**31**	20	**(85)**	-
Closing inventory	**10,627**	6,854	**10,627**	6,854

As at June 30, 2024, out of the 10,627 dry metric tonnes of metals concentrate in inventories, 6,520 were pledged security in connection to the agreement between the Company and the National Mining Agency. The security is released proportionally as payments are made in accordance with the payment schedule and may be substituted at a later date for a different type of security. Production is trucked routinely from the El Roble mine to the port of Buenaventura, where 20,000 WMT of concentrate can be stored at the Company´s warehouse. Since the cost of shipping and freight is directly related to the size of the lot to be shipped, the Company plans to sell lots closer to 10,000 WMT.

The Company recognizes revenue from provisional invoicing when the risks and rewards of ownership are transferred to the customer, which under the current off-take agreement is when the Company loads the concentrate onto the performing vessel at the port of Buenaventura, Colombia. As final settlement may occur several months after the provisional invoicing, changes in metal prices during the quotation period may have a material impact on the revenue ultimately recognized.

The number of shipments the Company can export in any given quarter depends on several variables some of which the Company does not control, hence there may be an inherent variability in tonnes shipped and revenue recognized from quarter to quarter. Given the Company's revenue recognition policy and shipment schedule, the concentrate produced in any given quarter may not be immediately reflected in its revenue. The timing difference between concentrate produced and revenue recognized tends to decrease significantly when viewed on a yearly basis.

In Q2-2024, the Company carried forward 7,002 DMT from the previous quarter, produced 9,197 DMT and sold 5,603 DMT of concentrate; the difference (after inventory adjustments) of 10,627 DMT is the concentrate inventory carried over to Q3-2024.

Exploration at El Roble

Exploration work in Q2-2024 included interpretation of drill results of the mine-vicinity drill campaign completed in Q1-2024 and generation of new drilling targets between levels 2000 and 2100.

On April 30, 2024, the Company announced an updated mineral resource and reserve estimate for the El Roble Mine located in Colombia, prepared under National Instrument 43-101 standards, with an effective date of March 12, 2024. Measured and Indicated Mineral Resources (inclusive of Mineral Reserves) are estimated at 881 thousand tonnes averaging 3.40% Cu, and 2.98 g/t Au. Proven and Probable Mineral Reserves are estimated at 828 thousand tonnes averaging 2.49% Cu, and 2.20 g/t Au. A conversion rate of 88% of Measured and Indicated resources to Proven and Probable reserve categories was applied over the current resource estimate. Life of Mine is extended until the first quarter of 2027. More information can be found on the Company's press release dated April 30, 2024, available on SEDAR+ and on the Company's website.

On April 4, 2024, the Company announced in a press release the results of 16 diamond drill core holes of its infill drilling program which included 20.7m of 5.76% Cu, 4.46 g/t Au and 11.50m of 8.16% Cu, 8.09 g/t Au.

Exploration Drilling Results Include:

Hole	From (m)	To (m)	Interval (m)	Cu (%)	Au (g/t)
ATD-0224	222.00	226.00	4.00	5.33	5.92
ATD-0225	30.40	34.90	4.50	5.24	6.77
ATD-0228	136.70	139.00	2.30	17.15	3.19
ATD-0229	**25.50**	**37.90**	**12.40**	**4.45**	**1.55**
ATD-0231	29.70	33.10	3.40	4.31	5.11
ATD-0235	27.50	35.40	7.90	5.07	4.18
ATD-0238	42.10	47.80	5.70	5.61	9.97
ATD-0240	**104.80**	**114.10**	**9.30**	**6.09**	**5.51**
ATD-0240	124.00	125.80	1.80	16.97	2.20
ATD-0249	46.15	52.30	6.15	4.57	3.04
ATD-0250	**48.20**	**64.70**	**16.50**	**2.66**	**4.11**
ATD-0251	53.90	57.40	3.50	0.59	12.95
ATD-0252	**38.60**	**50.10**	**11.50**	**8.16**	**8.09**
ATD-0253	43.40	45.65	2.25	6.36	10.39
ATD-0260	41.20	48.70	7.50	2.71	9.57

(Expressed in US dollars, unless otherwise indicated)

ATD-0261	59.10	66.20	7.10	4.16	8.53
ATD-0261	46.20	52.00	5.80	5.71	6.05
ATD-0262	**58.15**	**78.85**	**20.70**	**5.76**	**4.46**

True widths are dependent on uncertainties in the local strike and dip of the mineralization and are estimated to be between 90% and 95% of the drill intercept.

Regional exploration (target delineation) continued during Q2-2024, with detailed geological mapping, rock outcropping, structural interpretation, and geological interpretation assisted by artificial intelligence. No regional exploration drilling was completed during Q2-2024. The work completed focused on generating targets for a diamond drilling (DDH) program campaign.

LA PLATA OVERVIEW

The La Plata project is a gold rich volcanogenic massive sulphide deposit that was the subject of small-scale mining from 1975-1981 by Outokumpu Finland. The project benefits from a modern drill and exploration database which was completed by Cambior Inc. from 1996-1999, Cornerstone Capital from 2006-2009 and Toachi from 2016-2019.

Historic resources based on drilling by Cambior and Cornerstone were estimated at 913,977 tonnes grading 8.01 grams gold per tonne, 88.3 grams silver per tonne, 5.01% copper, 6.71% zinc and 0.78% lead per tonne in the inferred category. More recently, Toachi Mining completed a PEA estimating an inferred resource of 1.85 million tonnes grading 4.10 grams gold per tonne, 50.0 grams silver per tonne, 3.30% copper, 4.60% zinc and 0.60% lead per tonne.

The La Plata project consists of two concessions covering a total area of 2,235 hectares along its 9-kilometer length, which contains known mineralization in two VMS lenses and nine priority exploration targets.

In May 2022 the Company received the technical approval of its Environmental and Social Impact Assessment ("ESIA") study for the project and the Ministry of Environment, Waters and Ecological Transition (MAATE) initiated the socialization of the ESIA, through an environmental public consultation process, as an important step for the issuance of the environmental license for the La Plata project. However, on July 31, 2023, the Constitutional Court in Ecuador, admitted for processing a claim of the Confederation of Indigenous Nationalities of Ecuador (CONAIE) and other complainants, provisionally suspending Executive Decree No 754 signed on May 31, 2023, that regulates environmental consultations for all public and private industries and sectors in Ecuador – not limited to extractive industries. The La Plata environmental consultation process was, as result put on pause until a ruling was made from the Constitutional Court in Ecuador. On November 17, 2023, the Ecuadorian Constitutional Court ruled the Executive Decree 754 was unconstitutional, but decided to maintain the decree in force until the Ecuadorian National Assembly enacts this procedure into Organic Law. Until the Assembly passes the necessary organic law, the temporary suspension of the Decree was revoked by the Constitutional Court and the Decree remains in effect. This allows many projects across all industries and sectors, including La Plata, to resume their respective consultation process, which MAATE reinitiated for La Plata during Q1-2024.

In January 2024, the Company announced that the Government of Ecuador authorized the extension period for the La Plata mining concession until 2049.

On March 22, 2024, the mayor of the Canton of Sigchos, CONAIE and other complainants (the "Claimants") filed a constitutional protective action against MAATE and other governmental entities, challenging the environmental consultation process that was being conducted by MAATE which is an important step for the issuance of the La Plata environmental license. The protective action was accepted by the Court on March 25, 2024, and the Court proceeding was carried out in the Judicial Unit of the Canton of Sigchos, in the province of Cotopaxi, Ecuador, between May 20, 2024, and July 9, 2024. On August 2, 2024, the Court issued a binding oral ruling, rejecting the Protective Action filed by the Claimants. The Court concluded that the consultation process conducted by MAATE complied with applicable legal requirements, did not constitute rights violations, and removed the cautionary measures previously applied. The court issued the ruling in writing on August 5, 2024. After the Court's ruling, the Claimants advised the Court of their intention to appeal the Court's decision. The appeal will be heard by the Provincial Court of Justice of Cotopaxi in due course. No date for the appeal has been set.

On July 2, 2024, the Company reported results of the Feasibility Study for La Plata prepared in accordance with National Instrument 43-101 Standards and filed on SEDAR+ on August 14, 2024. The Study highlights included:

- Initial Probable Mineral Reserves for the La Plata project 2.51 Mt with an average grade of 1.59% Cu, 2.28 g/t Au, 30.41 g/t Ag, and 2.18% Zn.
- Updated Indicated Resources of 2.345 Mt with an average grade of 2.13% Cu, 2.98 g/t Au, 40 g/t Ag, 3.05% Zn and Inferred Resources of 380 Kt at average grade of 0.96% Cu, 1.75 g/t Au, 38 g/t Ag, 2.29% Zn.
- Average annual production of 9.71 Mlbs Cu, 15,929 oz Au, 226,299 oz Ag, and 13.25 Mlbs Zn in concentrates over 8.1 years Life of Mine ("LOM")
- Initial Capex of US$91 Million, including a 9.8% contingency
- Average AIC of US$2.70 per payable lb of Cu equivalent produced over LOM (referred to Non-GAAP Financial Measures)
- After Tax NPV of US$93M at a 5% discount rate and an IRR of 25.1%
- Underexplored VMS camp, currently identified resources are contained in only 1.6% of total land package

(Expressed in US dollars, unless otherwise indicated)

Exploration at La Plata

In Q2-2024, the Company incurred $0.8 million (Q2-2023 - $0.8 million) in expenditure at La Plata, primarily on feasibility and permitting activities. During Q2-2024, exploration activities at La Plata focused on target delineation and reinterpretation of drill data generated during the 2021-2022 campaigns, in preparation for future drilling. No drilling was completed during Q2-2024.

OUTLOOK

The Company is basing its 2024 guidance on the plan for the year ended December 31, 2024, and Q2-2024 financial and production results. Please refer to Cautionary Note on Forward Looking Statements at the end of this document. The Company set the following objectives for 2024 at the El Roble mine:

- Process between 270,000 and 290,000 tonnes.
- Maintain recovery above 91% for copper and 61% for gold.
- Maintain an average copper head grade between 2.3% and 2.6%.
- Maintain an average gold head grade between 1.9 g/t and 2.1 g/t.
- Maintain production between 32,000 and 33,000 dry tonnes of concentrate.
- Maintain production between 6,200 and 6,900 tonnes of copper.
- Maintain production between 10,200 and 11,400 ounces of gold.
- Increase the mill mechanical availability to 95% and reach 330 days worked.
- Complete the La Plata Feasibility Study and receive the environmental licence
- Continue improving the safety and environmental standards.

SUMMARY OF QUARTERLY RESULTS

The following table provides selected financial information for the eight quarters up to June 30, 2024, and should be read in conjunction with the Company's consolidated financial statements for the years ended December 31, 2023, and 2022.

	Q2-2024	Q1-2024	Q4-2023	Q3-2023
Revenue	**$10,860,467**	$17,818,115	$17,252,368	$15,279,950
Income (loss) from operations	**891,086**	1,292,845	(4,850,756)	468,178
Net (loss) income for the period(1)	**(506,770)**	(433,643)	(3,956,133)	(1,073,650)
(Loss) earnings per share - basic and diluted	**(0.00)**	(0.00)	(0.03)	(0.01)
Weighted average shares outstanding - basic and diluted	**121,286,185**	121,286,185	121,286,185	121,286,185

	Q2-2023	Q1-2023	Q4-2022	Q3-2022
Revenue	$12,228,088	$12,783,240	$15,935,314	$23,123,099
Income (loss) from operations	(602,944)	573,062	(545,198)	3,832,094
Net (loss) income for the period(1)	(60,936)	(576,008)	(4,614,265)	127,648
(Loss) earnings per share - basic and diluted	(0.00)	0.00	(0.04)	0.00
Weighted average shares outstanding - basic and diluted	121,286,185	121,286,185	121,286,185	121,286,185

(1) Income (loss) attributable to equity holders of the Company

In the summary of quarterly results above, there is a variability of the Company's quarterly revenues and incomes from operations due to timing difference between production and shipment schedules (see discussion in "Concentrate inventory").

SECOND QUARTER FINANCIAL RESULTS

The second quarter net loss was $424,612 compared to $55,040 net income in Q2-2023 and basic and diluted loss per share was $Nil and $Nil, respectively. Income from mining operations was $2,551,748 (Q2-2023 - $954,198), and the Company had income from operations of $891,086 (Q2-2023 - $602,944 loss).

Sales for Q2-2024 were $10,860,467 (Q2-2023 - $12,228,088) from the shipping and invoicing of 5,603 (Q2-2023 – 6,597) DMT of concentrate including final weight adjustments and provisional pricing adjustments on prior shipments. Prior to the anticipated shipment date, the Port of Loading experienced weather conditions which delayed the loading onto the Vessel. Due to these unforeseen circumstances, the Company was not able to load the entire quantity of available concentrate inventory. The net weight of concentrate not loaded at June 30, 2024 was approximately 3,602 dry metric tonnes which will be included in Q3-2024. The Company's metal concentrates are provisionally priced at the time of sale based on the prevailing commodity market prices. Final prices are set in a period subsequent to the date of sale based on specified quotational period after delivery. Under the current sales agreement in place from 2023, final pricing for metals concentrates occurs one or four months after the month of sales.

Three months ended	**June 30 2024**	June 30 2023
Sales and realized prices		
Concentrate sold	**$11,904,361**	$12,369,177
Provisional pricing adjustments[1]	**(1,043,894)**	(141,089)
Sales per financial statements	**$10,860,467**	$12,228,088
Copper		
Provisional sales (000's lbs)	**2,219.8**	2,652.6
Realized price ($/lb)	**4.34**	3.92
Net realized price ($/lb)[2]	**4.07**	3.68
Gold		
Provisional sales (oz)	**1,943.9**	2,290.5
Realized price ($/oz)	**2,303.38**	1,938.40
Net realized price ($/oz)[2]	**1,475.99**	1,121.77
Silver		
Provisional sales (oz)	**4,954.4**	8,186.5
Realized price ($/oz)	**0.00**	22.47
Net realized price ($/oz)[2]	**0.00**	4.93

(1) Include adjustments for mark-to-market price, forward sale arrangements, final weight and metal grade assays at port of destination
(2) Adjusted price net of payable metals deductions, treatment and refining charges, and/or transportation charges

Cost of sales for Q2-2024 was $8,308,719 (Q2-2023 - $11,273,890). The decrease in mining and processing costs during Q2-2024 was due to a decrease in volume of concentrate sold and a decrease in cost of concentrate produced due to higher copper head grade in ore.

General and administrative ("G&A") expenses were lower for Q2-2024 compared to Q2-2023 consisting of the following components:

	Three months ended June 30, 2024			Three months ended June 30, 2023		
	Operations	**Corporate**	**Total**	Operations	Corporate	Total
Amortization	**$ 53,264**	**$ 7,952**	**$ 61,216**	$ 87,707	$ 2,402	$ 90,109
General and administrative	**414,653**	**211,603**	**626,256**	291,337	147,968	439,305
Professional fees	**131,651**	**56,520**	**188,171**	34,629	155,689	190,318
Salaries and benefits	**369,158**	**322,358**	**691,516**	351,242	362,194	713,436
Transfer agent and filing fees	**-**	**18,456**	**18,456**	-	19,196	19,196
	$ 968,726	**$ 616,889**	**$ 1,585,615**	$ 764,915	$ 687,449	$ 1,452,364

Other income and expenses: In Q2-2024, the Company recognized share-based payments expense of $75,047 (Q2-2023 - $104,778) for stock options and restricted share units ("RSUs") granted in between April 2021 and April 2023, where each has a vesting term over 36 months.

In Q2-2024, the Company recognized interest and finance costs of $770,141 (Q2-2023 - $614,437) related to its loans payable and accretion on decommissioning and restoration provision as well as lease liabilities, a net realized loss of $795,677 (Q2-2023 - $Nil) on settlements of its derivative instruments, an unrealized fair value gain of $292,262 (Q2-2023 - $Nil) and a foreign exchange loss of $348,089 (Q2-2023 – $281,704 gain).

In Q2-2024, the Company recognized a current income tax expense of $586,692 (Q2-2023 - $1,392,515 recovery) and a deferred income tax recovery of $892,639 (Q2-2023 - $401,798 expense).

SIX MONTHS FINANCIAL RESULTS

For the six months ended June 30, 2024, net loss was $790,545 compared to $444,630 during the comparative period and basic and diluted loss per share was $(0.01) and $(0.01), respectively. Income from mining operations was $5,353,611 (2023 - $3,035,029), and the Company had income from operations of $2,183,931 (2023 - $29,882 loss). Net loss for the six months ended June 30, 2024 was negatively impacted by realized and unrealized losses on derivative instruments as well as an unfavorable change in the Colombian Peso.

Sales for the six months ended June 30, 2024 were $28,678,582 (2023 - $25,011,328) from the shipping and invoicing of 14,986 (2023 - 13,071) DMT of concentrate including final weight adjustments and provisional pricing adjustments on prior shipments. Prior to the anticipated shipment date, the Port of Loading experienced weather conditions which delayed the loading onto the Vessel. Due to these unforeseen circumstances, the Company was not able to load the entire quantity of available concentrate inventory. The net weight of concentrate not loaded at June 30, 2024 was approximately 3,602 dry metric tonnes which will be included in Q3-2024. The Company's metal concentrates are provisionally priced at the time of sale based on the prevailing commodity market prices. Final prices are set in a period subsequent to the date of sale based on specified quotational period after delivery. Under the current sales agreement in place from 2023, final pricing for metals concentrates occurs one or four months after the month of sales.

Six months ended	**June 30 2024**	June 30 2023
Sales and realized prices		
Concentrate sold	**$29,221,677**	$25,140,577
Provisional pricing adjustments[1]	**(543,095)**	(129,249)
Sales per financial statements	**$28,678,582**	$25,011,328
Copper		
Provisional sales (000's lbs)	**5,982.4**	5,399.1
Realized price ($/lb)	**4.11**	4.03
Net realized price ($/lb)[2]	**3.86**	3.80
Gold		
Provisional sales (oz)	**4,588.6**	4,136.7
Realized price ($/oz)	**2,232.66**	2,027.32
Net realized price ($/oz)[2]	**1,331.08**	1,124.51
Silver		
Provisional sales (oz)	**15,472.7**	12,261.6
Realized price ($/oz)	**24.83**	31.37
Net realized price ($/oz)[2]	**2.21**	0.00

(1) Include adjustments for mark-to-market price, forward sale arrangements, final weight and metal grade assays at port of destination
(2) Adjusted for payable metals deductions, treatment and refining charges, and/or transportation charges

Cost of sales for the six months ended June 30, 2024 was $23,324,971 (2023 - $21,976,299). The increase in mining and processing costs over the comparative period was mainly due to a decrease in the volume of concentrate sold and cash costs per pound of payable copper. The increase in cost of sales over the comparative period was mainly due to the increase in volume of concentrate sold, partially offset by a decrease in cost of concentrate produced due to higher copper head grade in ore.

General and administrative ("G&A") expenses were higher for the six months ended June 30, 2024 compared to the comparative period in 2023 consisting of the following components:

	Six months ended June 30, 2024			Six months ended June 30, 2023		
	Operations	**Corporate**	**Total**	Operations	Corporate	Total
Amortization	**$ 112,527**	**$ 16,930**	**$ 129,457**	$ 117,049	$ 2,402	$ 119,451
General and administrative	**569,562**	**343,568**	**913,130**	650,583	452,162	1,102,745
Professional fees	**250,306**	**181,274**	**431,580**	67,543	242,948	310,491
Salaries and benefits	**754,513**	**655,103**	**1,409,616**	649,605	699,136	1,348,741
Transfer agent and filing fees	**-**	**33,004**	**33,004**	-	37,652	37,652
	$ 1,686,908	**$ 1,229,879**	**$ 2,916,787**	$ 1,484,780	$ 1,434,300	$ 2,919,080

Other income and expenses: During the six months ended June 30, 2024, the Company recognized share-based payments of $252,893 (2023 - $145,831) for stock options and restricted share units ("RSUs") granted in between April 2021 and April 2023, where each has a vesting term over 36 months.

During the six months ended June 30, 2024, the Company recognized interest and finance costs of $1,508,902 (2023 - $1,275,846) related to its loans payable and accretion expense on decommissioning and restoration provision and lease liabilities, and a foreign exchange loss of $518,324 (2023 - $567,242 gain).

During the six months ended June 30, 2024, the Company recognized a current income tax recovery of $225,990 (2023 - $412,012 expense) and a deferred income tax expense of $28,705 (2023 - $705,868 recovery).

LIQUIDITY AND CAPITAL RESOURCES

The Company's cash as at June 30, 2024 totaled $5,055,715 (December 31, 2023 - $8,298,367) and its working capital was negative $4,327,205 (December 31, 2023 – $2,055,322) largely due to the credit facility with Trafigura PTE Ltd. becoming due within 12 months from June 30, 2024, however subsequent to the reporting period, the Company entered into an agreement with Trafigura PTE Ltd. amending and extending the terms of the credit facility, as indicated below. As at June 30, 2024, the Company's long-term debt was $6,092,165 (December 31, 2023 - $5,971,064).

Working capital at any specific point in time is subject to many variables, including metals concentrate inventory management, the timing of shipments of metals concentrate, of cash receipts from sales of metals concentrate, and of accounts payable and loans payments.

In February 2022, and as amended in May 2023, the Company entered into a secured definitive credit agreement with Trafigura PTE Ltd. for the principal sum of $10,000,000 for a 30-month term bearing interest at a rate of SOFR plus 5.26% for the first 24 months and then SOFR plus 7.5% thereafter. The funds were used to, amongst other things, fund work on the Company's La Plata Project in Ecuador and for general working capital purposes. On August 5, 2024, the Company amended and restated the credit facility with Trafigura PTE. LTD by extending the maturity date of the credit facility from August 8, 2024, to July 31, 2026.

Sufficient cash flows from mining operations to repay the loan with Trafigura PTE Ltd. at maturity in 2024 may not be available, which in that case, the Company would need to raise funds through debt financing, the issuance of hybrid debt-equity securities, or additional equity securities.

In December 2020, the Company entered into an unsecured convertible debenture arrangement with Dundee Corporation ("Dundee") for principal balance of $6,500,000, which carries an interest rate of 7.0% per annum payable quarterly for five years. The principal balance is convertible into 11,627,907 common shares of the Company at $0.559 per share. Over the term of the debenture, the Company may, at its option, redeem the debenture, in whole or in part, at par plus accrued and unpaid interest.

Management believes that the Company's current operational requirements and capital projects can be funded from existing cash and cash generated from operations. If future circumstances dictate an increased cash requirement, and management elects not to delay, limit, or eliminate some of the Company's plans, the Company may raise additional funds through debt financing, the issuance of hybrid debt-equity securities, or additional equity securities. To date, the Company has relied on a combination of equity financings and loans for its acquisitions, capital expansions, and operations. Capital markets may not be receptive to offerings of new equity from treasury or debt, whether by way of private placements or public offerings. The Company's growth and success may be dependent on external sources of financing which may not be available on acceptable terms.

Second quarter liquidity and capital resources

During Q2-2024, cash decreased by $1,068,572. The decrease was due to net cash of $5,064,623 and $748,647 used in investing and financing activities, respectively, partially offset by net cash of $4,617,316 provided by operating activities. Exchange rate changes also had a positive impact on cash of $127,382.

Operating activities

During Q2-2024, net cash provided by operating activities totaled $4,617,316, which included operating cash inflows before changes in non-cash operating working capital items of $2,472,955 and cash inflows from changes in non-cash working capital items of $2,144,361. Non-cash working capital changes included the effects of a decrease in receivables of $6,360,639, decrease in accounts payable and accrued liabilities of $771,847, and an increase in inventories of $2,841,962.

Investing activities

Cash used in investing activities during Q2-2024 totaled $5,064,623. The Company paid $806,260, $300,021 and $198,155 towards mine (underground) exploration and development, regional exploration, and plant and equipment additions, respectively at El Roble. Additionally, the Company paid $840,694 of expenditures on feasibility and permitting activities at La Plata, $71,065 on reclamation activities at El Roble, $795,677 on settlements of derivative instruments and paid $2,052,751 to the National Mining Agency, pursuant to the Payment Plan.

Financing activities

Cash used in financing activities during Q2-2024 totaled $748,647. The Company withdrew $2,970,000 from its short-term credit facilities in Colombia and repaid $2,900,000 of principal of these short-term credit facilities. Additionally, the Company paid $533,137 towards interest on loans, $208,430 towards payments on leases, as well as $77,080 towards dividends to a subsidiary's non-controlling interest.

(Expressed in US dollars, unless otherwise indicated)

Six months liquidity and capital resources

During the six months ended June 30, 2024, cash decreased by $3,242,652. The decrease was due to net cash of $8,295,355 and $2,571,052 used in investing and financing activities, respectively, partially offset by $7,682,287 provided by operating activities. Exchange rate changes also had a negative impact on cash of $58,532.

Operating activities

During the six months ended June 30, 2024, net cash provided by operating activities totaled $7,682,287, which included operating cash inflows before changes in non-cash operating working capital items of $8,320,656, offset by cash outflows from changes in non-cash working capital items of $638,369. Non-cash working capital changes included a decrease in receivables of $4,279,841, decrease in accounts payable and accrued liabilities of $2,177,070 and an increase in inventories of $1,935,123.

Investing activities

During the six months ended June 30, 2024, net cash used in investing activities totaled $8,295,355. The Company paid $2,029,305, $658,115, and $348,204 towards mine (underground) exploration, regional exploration, and plant and equipment additions, respectively at El Roble. Additionally, the Company paid $1,934,475 of expenditures on feasibility, permitting and exploration at La Plata, $812,977 towards settlements of derivative instruments, $459,529 on reclamation activities at El Roble and paid $2,052,751 to the National Mining Agency, pursuant to the Payment Plan.

Financing activities

During the six months ended June 30, 2024, net cash used in financing activities totaled $2,571,052. The Company withdrew $5,980,000 from its short-term credit facilities in Colombia and repaid $6,400,000 of principal of these short-term credit facilities. Additionally, the Company paid $1,505,113 towards interest on loans, $388,769 towards payments on leases, as well as $257,170 towards dividends to a subsidiary's non-controlling interest.

TRANSACTIONS WITH RELATED PARTIES

The Company considers key management personnel to include its management, outside directors, and any entity controlled by them. The aggregate value of transactions (included in general and administrative expenses and share-based payments) and outstanding balances relating to key management personnel were as follows:

Six months ended June 30, 2024	**Salary or fees**	**Share-based payments**	**Total**
Management	**$ 579,724**	**$ 163,164**	**$ 742,888**
Directors	**71,142**	**45,387**	**116,529**
Seabord Management Corp.	**57,029**	**-**	**57,029**
	$ 707,895	**$ 208,551**	**$ 916,446**

Six months ended June 30, 2023	Salary or fees	Share-based payments	Total
Management	$ 572,172	$ 77,984	$ 650,156
Directors	68,400	40,873	109,273
Seabord Management Corp.	100,394	-	100,394
	$ 740,966	$ 118,857	$ 859,823

As at June 30, 2024, the Company had $695,153 (December 31, 2023 - $636,049) due to directors and management related to remuneration and performance-based remuneration, which have been included in accounts payable and accrued liabilities.

Seabord Management Corp. ("Seabord") is a management services company controlled by a director. Seabord provides the Corporate Secretary, accounting staff, administration staff and office space to the Company pursuant to the service agreement. The Corporate Secretary and the accounting and administrative staff are employees of Seabord and are not paid directly by the Company.

FINANCIAL INSTRUMENTS

The Company enters into derivative instruments from time to time in the normal course of business in order to manage its exposure to fluctuations in copper price, gold price, and the Colombian peso/US dollar exchange rate. The Company does not enter into or trade derivative instruments for speculative purposes. The Company has not applied hedge accounting to these derivative transactions and are measured at fair value at the end of each reporting period based on the terms of the arrangements and the expected settlement prices and/or rates. Any resulting mark-to-market adjustment has been recognized in other financial assets or liabilities on the consolidated statement of financial position.

The Company occasionally enters into zero-cost non-deliverable currency forward arrangements with local Colombian banks between the US dollar and Colombian peso. Each arrangement is net settled based on the difference between the market exchange rate and the contracted settlement rate, where the Company receives (or pays) proceeds if the contracted settlement rate is above (or below) the market exchange rate to purchase Colombian peso. As at June 30, 2024 and 2023, the Company had no outstanding collar arrangements to convert United State dollars into Colombian pesos at the negotiated exchange rates.

The Company has entered into zero-cost commodity derivative arrangements with Auramet International LLC. These arrangements are net settled based on the difference between the market price and the contracted settlement price, where the Company receives (or pays) proceeds if the contracted settlement price is above (or below) the market price. As at June 30, 2024, the Company had total outstanding arrangements on 1,000 troy ounces of gold with net settlement in August 2024 at a forward price of $2,085, as well as 400 tonnes of copper with net settlement in November 2024 at a forward price between $9,300 and $9,750.

These outstanding arrangements resulted in a net liability carrying amount at June 30, 2024 of $424,478 (December 31, 2023 - $92,920). Also during the six months ended June 30, 2024, the Company had a net realized loss of $812,977 (2023 - $Nil) on the settlement of its derivative instruments from prior periods.

The Company's Level 2 fair valued financial instruments included trade receivable from provisional sales and derivative instruments; and no Level 3 financial instruments are held. Trade receivable from provisional sales of metals concentrate includes provisional pricing, and final price and assay adjustments. Derivative instruments are forward arrangements that were valued using pricing models, which require a variety of inputs, such as expected copper prices, gold prices, and foreign exchange rates. The trade receivable from sales of metals concentrate and derivative instruments are valued using observable market commodity prices. The Company's exercise price of its share purchase warrants and conversion price on the convertible debentures are denominated in Canadian dollars or at a set exchange rate.

CONTINGENCY AND COMMITMENT

During the three months ended December 31, 2015, the Company's operating subsidiary, Minera El Roble S.A. ("MINER"), received notice of claim from the mining authority (the "National Mining Agency") in Colombia requesting payment of royalties related to past copper production. The National Mining Agency based its claim on the current mining law, which is subsequent to the prevailing mining law under which MINER executed the mining contract regulating its royalty obligations for the El Roble mining property. The current mining law in Colombia explicitly states that it does not affect contracts executed prior to this law entering into force. Accordingly, the Company refuted the notice of claim, taking the position it has complied with the royalty payments due and called for under the contract.

In 2017, the National Mining Agency in Colombia submitted a claim for $5 million (up from $2 million) plus additional interest and fees. The Company has been vigorously defending itself against this action before the Administrative Tribunal of Cundinamarca (the "Tribunal"). Such claims may take up to ten years to reach a resolution in Colombian courts. The National Mining Agency had updated the claim amount to COP$87,933,286,817 (approximately $21.2 million) for all royalties in dispute up to December 2021, and in June 2022, to COP$101,217,832,270 (approximately $24.4 million) for all royalties in dispute up to January 23, 2022, the expiry date of the mining contract. Such amounts exclude indexation and related late payment interest.

On December 29, 2021, the Company entered into an agreement (the "Agreement") with the National Mining Agency to settle the dispute via binding arbitration at the Center for Arbitration and Conciliation of the Bogota Chamber of Commerce for the purposes of seeking an expedited resolution to the ongoing claim. The parties have completed the submission of the statement of claim, counterclaim, and respective replies. The tribunal concluded the first procedural hearing on July 2, 2024, during which the arbitrators declared themselves competent and confirmed the continuation of the arbitration process. They scheduled the dates for the evidentiary hearings and the testimonies of witnesses from both the National Mining Agency and the Company and on July 12, 2024, the first of these hearings was held, with two more scheduled. The process is proceeding according to schedule, with the expectation that the testimonies of witnesses from both parties will be completed during August and September 2024. The tribunal's final decision (the "Award") is due by January 15, 2025, with an allowable six-month extension as per the arbitration rules. According to the Agreement, if an Award is rendered in favor of the Company, the Payment Plan (see below) will cease, and any amounts already paid will be reimbursed or offset against future royalty obligations.

The Agreement allowed for the Company to be recognized as being formally in good standing with the National Mining Agency, enabling the Company to apply for a new mining contract on the property. The previous contract and related title expired on January 23, 2022.

The Agreement called for the Company to enter into a five-year Payment Plan (which was amended in June 2022) payable in biannual instalments for a total amount of COP$101,217,832,270 (approximately $24.4 million) plus interest at a 6% annual rate (in aggregate of COP$120,252,412,294 or approximately $29.0 million) with the following payment schedule: initial upfront payment of COP$3,800,000,000 (paid in 2021), followed by COP$15,130,315,236 (paid in 2022), COP$15,301,117,051 (paid in 2023), COP$7,996,308,155 (paid in May 2024), COP$7,850,738,753 (approximately $1.9 million) in November 2024, COP$26,501,243,006 (approximately $6.4 million) in year 2025 and COP$43,672,690,093 (approximately $10.5 million) in year 2026. The total amount payable represents all outstanding royalty payments which the National Mining Agency has claimed through to the expiry date of the mining contract. The parties have agreed to this interim arrangement until a final arbitration decision is made.

As security for the Payment Plan, the Company pledged one real estate property located in Colombia in addition to granting a rotating pledge over concentrate inventory. 6,520 of the 10,627 dry metric tonnes of metals concentrate in inventories at the end of Q2-2024 were pledged as security for the Payment Plan. The security is being released proportionally as payments are being made in accordance with the payment schedule. The security may be substituted at a later date. The Company is recording an arbitration asset for all payments made under the Payment Plan. The Company continues to work towards obtaining a new contract to renew title for the operating mine. The Company has been allowed to continue operating while the process for the contract and title renewal continues. There is no assurance the renewal will be obtained.

CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of consolidated financial statements in conformance with IFRS requires management to make estimates, judgments and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

For full details on the critical accounting estimates and judgments affecting the Company, please refer to the Company's audited annual consolidated financial statements and notes for the year ended December 31, 2023.

OFF-BALANCE SHEET ARRANGEMENTS

As of the date of this MD&A, the Company does not have any off-balance sheet arrangements that have, or are reasonably likely to have, a current or future effect on the results of operations or financial condition of the Company, including, and without limitation, such considerations as liquidity and capital resources.

PROPOSED TRANSACTIONS

There are no proposed transactions of a material nature being considered by the Company at the current time.

SHARE POSITION AND OUTSTANDING WARRANTS AND OPTIONS

As at the date of this MD&A, the Company had 121,286,185 common shares issued and outstanding. There were also 11,968,444 stock options outstanding with expiry dates ranging from October 7, 2024 to April 21, 2028.

NON-GAAP FINANCIAL MEASURES

Cash cost per pound of payable copper produced and cash cost per tonne of processed ore are key performance measures that management uses to monitor performance. In addition, cash costs are an industry standard method of comparing certain costs on a per unit basis; however, these do not have a standardized meaning and may differ from methods used by other companies with similar descriptions. Management believes that certain investors use these non-GAAP financial measures to evaluate the Company's performance. These performance measures have no meaning under IFRS and, therefore, amounts presented may not be comparable to similar data presented by other mining companies.

The Company believes that "all-in sustaining cash cost" and "all-in cash cost" better meet the needs of analysts, investors, and other stakeholders of the Company in understanding the cost associated with producing copper, the economics of copper mining, the Company's operating performance, and the Company's ability to generate free cash flow from current operations and on an overall company basis.

The Company, in conjunction with an initiative undertaken within the gold mining industry, has adopted an all-in sustaining cost-performance measure; however, this performance measure has no standardized meaning. The Company conformed its all-in sustaining definition to that set out in the guidance note released by the World Gold Council ("WGC", a non-regulatory market development organization for the gold industry whose members comprise global senior gold mining companies) on June 27, 2013, and that came into effect January 1, 2014.

All-in sustaining cash cost and all-in cash cost are intended to provide additional information only and do not have standardized definitions under the IFRS and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with the IFRS. These measures are not necessarily indicative of operating profit or cash flow from operations as determined under the IFRS. Although the WGC has published a standardized definition, companies may calculate these measures differently.

All-in sustaining cost includes total production cash costs incurred at the Company's mining operations, which form the basis of the Company's by-product cash costs. Additionally, the Company includes general and administrative ("G&A") expenses, share-based payments, accretion of decommissioning and restoration provision ("ARO"), sustaining capital expenditures, and royalties. All-in cash cost includes all of the above plus non-sustaining capital expenditures and brownfield exploration expenditures.

The Company believes that this measure represents the total costs of producing copper from operations and provides the Company and stakeholders of the Company with additional information on the Company's operational performance and ability to generate cash flows. As the measure seeks to reflect the full cost of copper production from operations, new project capital is not included. Certain other cash expenditures, including tax payments, dividends, and financing costs, are also not included. The Company reports this measure on a payable copper pound produced basis, net of by-product credits.

El Roble mine cash cost

The following table presents a reconciliation of cash cost per tonne of processed ore and cash costs per pound of payable copper produced to cost of sales in the consolidated financial statements for the six months ended June 30, 2024:

Expressed in $000's	**Q2 2024**	Q2 2023	**YTD 2024**	YTD 2023
Cash cost per tonne of processed ore				
Cost of sales[(1)]	**$ 8,309**	$ 11,274	**$ 23,325**	$ 21,976
Add / subtract				
Change in concentrate inventory	**3,880**	571	**3,032**	1,129
Depletion and amortization in concentrate inventory	**(446)**	(175)	**353**	288
Commercial and government royalties	**(686)**	(820)	**(1,674)**	(1,562)
Depletion and amortization in cost of sales	**(1,740)**	(2,288)	**(5,187)**	(5,274)
Aggregate cash cost	**9,317**	8,562	**19,849**	16,558
Total processed ore (tonnes)	**71,079**	68,471	**136,867**	131,264
Cash cost per tonne of processed ore ($/t)	**$ 131.07**	$ 125.05	**$ 145.02**	$ 126.15
Mining cost per tonne	**$ 53.57**	$ 54.12	**$ 63.43**	$ 53.88
Milling cost per tonne	**30.63**	29.84	**31.22**	30.87
Indirect cost per tonne	**36.73**	33.29	**39.60**	33.95
Distribution cost per tonne	**10.14**	7.80	**10.77**	7.45
Total production cost per tonne of processed ore ($/t)	**$ 131.07**	$ 125.05	**$ 145.02**	$ 126.15

(1) Includes depletion, amortization, selling expenses, government royalties and mining taxes.

Expressed in $000's	**Q2 2024**	Q2 2023	**YTD 2024**	YTD 2023
Cash costs per pound of payable copper produced				
Aggregate cash cost (above)	**$ 9,317**	$ 8,562	**$ 19,849**	$ 16,558
Add / subtract				
By-product credits	**(6,126)**	(4,215)	**(10,229)**	(8,811)
Refining charges	**1,179**	952	**2,194**	1,770
Transportation charges	**788**	569	**1,434**	1,115
Cash cost applicable to payable copper produced	**5,158**	5,868	**13,248**	10,632
Add / subtract				
Commercial and government royalties	**1,075**	820	**2,063**	1,562
G&A expenses	**1,524**	1,362	**2,787**	2,800
Share-based payments	**75**	105	**253**	146
Accretion of ARO	**68**	67	**137**	133
Sustaining capital expenditures[(2)]	**198**	429	**348**	618
All-in sustaining cash cost	**8,098**	8,651	**18,836**	15,890
Add / subtract				
Non-sustaining capital expenditures[(2)]	**813**	995	**2,036**	1,322
Brownfields exploration expenditures[(2)]	**293**	848	**651**	1,572
All-in cash cost	**9,204**	10,494	**21,523**	18,784
Total payable copper produced (000's lbs)	**3,487**	2,639	**6,635**	4,808
Per pound of payable copper produced ($/lb)				
Cash cost, net of by-product credits	**$ 1.48**	$ 2.22	**$ 2.00**	$ 2.21
All-in sustaining cash cost	**$ 2.32**	$ 3.28	**$ 2.84**	$ 3.31
All-in cash cost	**$ 2.64**	$ 3.98	**$ 3.24**	$ 3.91
Cash margin[(3)]	**$ 2.86**	$ 1.70	**$ 2.11**	$ 1.82

(2) Amounts presented on a cash basis.
(3) Cash margin is calculated with (a) the realized price per pound of copper, less (b) the cash cost, net of by-product credits, per pound of payable copper produced.

Given the nature of the Company's metals concentrate management believes providing the cash cost on a co-product basis, presented in the following table, will enhance the reader's understanding of the Company's cash cost structure.

Expressed in $000's	Q2 2024	Q2 2023	YTD 2024	YTD 2023
Aggregate cash production cost	**$ 9,317**	$ 8,562	**$ 19,849**	$ 16,558
Cash cost per pound of payable copper produced				
Cash cost attributable to copper production[4]	**$ 7,071**	$ 6,784	**$ 15,633**	$ 13,476
Add / subtract				
By-product credit from silver	**(31)**	(26)	**(42)**	(88)
Refining charges	**1,179**	952	**2,194**	1,770
Transportation charges	**598**	451	**1,123**	908
Cash cost applicable to payable copper produced	**8,817**	8,160	**18,908**	16,065
Total payable copper produced (000's lbs)	**3,487**	2,639	**6,635**	4,808
Cash cost per pound of payable copper produced ($/lb)	**$ 2.53**	$ 3.09	**$ 2.85**	$ 3.34
Cash cost per ounce of payable gold produced				
Cash cost attributable to gold production[4]	**$ 2,245**	$ 1,779	**$ 4,215**	$ 3,082
Add / subtract				
Refining charges	**46**	32	**77**	66
Transportation charges	**190**	118	**311**	207
Cash cost applicable to payable gold produced	**2,481**	1,928	**4,603**	3,355
Total payable gold produced (oz)	**2,628**	2,131	**4,614**	4,544
Cash cost per ounce of payable gold produced ($/oz)	**$ 944.06**	$ 905.14	**$ 997.62**	$ 738.45

(4) If copper and gold for the El Roble mine were treated as co-products, the allocation of aggregate cash production cost between copper and gold production is based on provisional invoice(s) issued and revenue (net of treatment and refining charges) recognized in the respective reporting periods.

QUALIFIED PERSONS

Mr. Thomas Kelly (SME Registered Member 1696580), advisor to the Company, Mr. Garth Graves, P. Geo. Consulting Geologist and Dr. Demetrius Pohl, Ph.D. AIPG Certified Geologist, are qualified persons under National Instrument 43-101 standards and are responsible for ensuring that the technical information contained in this MD&A is an accurate summary of the original reports and data provided to or developed by the Company.

RISK FACTORS

The Company is exposed to many risks in conducting its business, including but not limited to metal price risk as the Company derive its revenue from the sale of copper, gold, and silver; credit risk in the normal course of business; currency risk as the Company reports its financial statements in US dollars whereas the Company operates in jurisdictions that conducts its business in other currencies. For further information regarding the Company's operational risks, please refer to the detailed disclosure concerning the material risks and uncertainties associated with the Company's business set out in its annual MD&A, dated April 16, 2024, which is available on SEDAR+ under the Company's filer profile.

Metal price risk

The Company is exposed to metals price risk given that its revenues are derived from the sale of metals through its metals concentrate products, the prices for which have been historically volatile. Consequently, the economic viability of the Company's mineral property may be adversely affected by fluctuations in metals prices. For concentrate sold during the six months ended June 30, 2024, a 10% change in copper and gold prices would result in an increase/decrease of approximately $2,079,000 and $1,488,000 respectively in the Company's pre-tax income or loss on an annualized basis, respectively.

Credit risk

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations. The Company's cash is held through large Canadian, international and foreign national financial institutions. All of the Company's trade receivables from concentrate sales are held with a large international metals trading company. The Company mitigates this risk by transacting only with reputable financial institutions and requiring provisional payments of 90% of the value of the concentrate shipped to a single well-known buyer. The carrying amount of financial assets recorded in the financial statements represents the Company's maximum exposure to credit risk. The Company believes it is not exposed to significant credit risk and overall, the Company's credit risk has not declined significantly from the prior year.

(Expressed in US dollars, unless otherwise indicated)

Interest rate risk

The Company is exposed to interest rate risk on its variable rate debt facilities. Variable interest rates are based on the SOFR plus a fixed-margin. The Company does not enter into derivative contracts to manage this risk. As at June 30, 2024, a 10% change in SOFR and/or LIBOR would result in an increase/decrease of approximately $574,000 in the Company's pre-tax income or loss on an annualized basis based on the loan and credit facilities used.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages liquidity risk by continuing to monitor forecasted and actual cash flows. The Company has in place a planning and budgeting process to help determine the funds required to support the Company's normal operating requirements on an ongoing basis and its development plans. The Company strives to maintain sufficient liquidity to meet its short-term business requirements, taking into account its anticipated cash flows from operations, its holdings of cash, and its committed liabilities. The maturities of the Company's non-current liabilities are disclosed in Notes 9, 10, and 11 of the financial statements. All current liabilities are settled within one year.

The Company expects the following maturities of its financial liabilities, lease obligations, and other contractual commitments, excluding payments relating to interest:

	Less than 1 year	1 - 2 years	More than 2 years	Total
Accounts payable and accrued liabilities	$10,842,697	$ -	$ -	$10,842,697
Loans and borrowings(1)	10,557,707	9,642,165	5,125,835	25,325,707
Payable for acquisition of NCI of CMLP	1,000,000	-	-	1,000,000
Derivatives	686,705	-	-	686,705
Provision for restricted share units	70,667	63,925	-	134,592
Lease liabilities	585,339	24,795	-	610,134
Decommissioning and restoration provision	459,267	690,919	1,408,664	2,558,850
Payment Plan with the National Mining Agency(2)(3)	1,892,638	6,388,859	10,428,512	18,710,009
	$26,095,020	$16,810,663	$16,963,011	$59,868,694

(1) Subsequent to the reporting date on August 8, 2024, the Company announced that it has entered into an amendment and restatement agreement with Trafigura PTE. LTD by extending the maturity date of the credit facility from August 8, 2024, to July 31, 2026. This table reflects these amended terms.
(2) The Company believes the arbitration process will be completed with a favorable outcome for the Company and the commitment for payments with maturities falling in years 2 (or part of) and beyond should cease (see Contingency and Commitment section).
(3) Payments include interest.

Foreign currency risk

The Company is exposed to the financial risk related to the fluctuation of foreign exchange rates. The Company primarily operates in Canada and Colombia and incurs expenditures in currencies other than the US dollars. Thereby, the Company is exposed to foreign exchange risk arising from currency exposure. Based on the Company's net exposure, as at June 30, 2024, and assuming that all other variables remain constant, a 10% depreciation or appreciation of the US dollar against the Canadian dollar, Peruvian nuevo sol, and Colombian peso would result in an increase/decrease of approximately $817,000 in the Company's pre-tax income or loss.

CAUTIONARY STATEMENT ON FORWARD-LOOKING STATEMENTS

Certain statements contained in this MD&A and any documents incorporated by reference into this MD&A constitute forward-looking statements within the meaning of the U.S. Private Securities Litigation Reform Act of 1995 and Section 21E of the United States Securities Exchange Act of 1934, as amended, and forward-looking information within the meaning of applicable Canadian securities legislation (collectively, "forward-looking statements"). Forward-looking statements express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance (often, but not always, identified using words or phrases such as "expects", "is expected", "anticipates", "believes", "plans", "projects", "estimates", "assumes", "intends", "strategies", "targets", "goals", "forecasts", "objectives", "budgets", "schedules", "potential" or variations thereof or stating that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved, or the negative of any of these terms and similar expressions) and are not statements of historical fact. Forward-looking statements relate to, among other things:

- mineral "reserves" and "resources" as they involve the implied assessment, based on estimates and assumptions that the resources described exist in the quantities predicted or estimated and can be profitably produced in the future;
- the realization of mineral " reserves" and " resources";
- timing of the completion of construction activities at the Company's properties and their completion on budget;
- timing regarding renewing the title on the Company's claims hosting the El Roble property and possible outcomes of any pending arbitration, consultation, litigation, negotiation or regulatory investigation;
- timing of the arbitration tribunal's award regarding the royalty dispute with the National Mining Agency in Colombia;

- development of the La Plata project and completion of full permitting process on the La Plata project, including restarting the environmental consultation process;
- production rates at the Company's properties;
- cash cost estimates;
- timing to achieve full production capacity at the Company's properties;
- unlocking further value of the Company's properties;
- timing for completion of infrastructure upgrades related to the Company's properties;
- timing for delivery of materials and equipment for the Company's properties;
- success in training and retaining personnel;
- the sufficiency of the Company's cash position and its ability to raise equity capital or access debt facilities;
- management's belief that the Company's current operational requirements and capital projects can be funded from existing cash and cash equivalents, cash generated from operations, and the available credit facility;
- management's belief that if the Company needs to access the capital markets for additional financial resources, the Company will be able to do so at prevailing market rates;
- the expected maturities of the Company's financial liabilities, finance leases and other contractual commitments; and
- management's expectation that none of the investigations, claims, and legal, labor and tax proceedings arising in the ordinary course of business will have a material effect on the results of operations or financial conditions of the Company.

Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable by the Company as at the date of such statements, are inherently subject to significant business, economic, social, political and competitive uncertainties and contingencies and other factors that could cause actual results or events to differ materially from those projected in the forward-looking statements. The estimates and assumptions of the Company contained or incorporated by reference in this MD&A which may prove to be incorrect, include, but are not limited to, (1) that all required third party contractual, regulatory and governmental approvals will be obtained for the development, construction and production of its properties, (2) there being no significant disruptions affecting operations, whether due to labor disruptions, supply disruptions, power disruptions, damage to equipment, non-renewal of title to the Company's claims or otherwise; (3) permitting, development, expansion and power supply proceeding on a basis consistent with the Company's current expectations; (4) currency exchange rates being approximately consistent with current levels; (5) certain price assumptions for copper, gold and silver; (6) prices for and availability of fuel oil, electricity, parts and equipment and other key supplies remaining consistent with current levels; (7) production forecasts meeting expectations; (8) the accuracy of the Company's current mineral resource and reserves estimates; (9) labor and materials costs increasing on a basis consistent with the Company's current expectations; and (10) assumptions made and judgments used in engineering and geological interpretation and the outcome of the arbitration and timing of the tribunals decision on the Arbitration with the National Mining Agency in Colombia for the royalty dispute.

In addition, there are known and unknown risk factors which could cause the Company's actual results, performance or achievements to differ materially from any future results, performance or achievements expressed or implied by the forward-looking statements. Known risk factors include, risks associated with mineral exploration and project development; the need for additional financing; operational risks associated with mining and mineral processing; uncertainty relating to concentrate treatment charges and transportation costs; uncertainty relating to capital and operating costs, production schedules, and economic returns; uncertainties relating to general economic conditions; the Company's substantial reliance on the El Roble mine for revenues and uncertainty around renewal of title to the claims; risks related to the integration of businesses and assets acquired by the Company; risks associated with entering into commodity forward and option contracts for base metals production; potential conflicts of interest involving the Company's directors and officers; the Company and/or its directors and officers may be subject to a variety of legal proceedings, the results of which may have a material adverse effect on the Company's business; changes in national and local government legislation, taxation, controls, regulations and political or economic developments in Canada, Colombia, Ecuador or other countries in which the Company does or may carry on business; the possibility of cost overruns or unanticipated expenses; fluctuations in copper, gold and silver prices; risks related to mining title and surface rights and access; uncertainties and risks related to carrying on business in foreign countries; environmental liability claims and insurance; social and environmental activism can negatively impact exploration, development and mining activities; reliance on key personnel; currency exchange rate fluctuations; risks associated with the Company's outstanding debt; the mineral exploration industry is intensely competitive; dilution from future equity financing could negatively impact holders of the Company's securities; and other risks and uncertainties, including those described in the "Risks Factors" section in this MD&A.

Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. These forward-looking statements are made as of the date of this MD&A. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers are cautioned not to place undue reliance on forward-looking statements. Except as required by law, the Company does not assume the obligation to revise or update these forward-looking statements after the date of this document or to revise them to reflect the occurrence of future unanticipated events.

The Company has not based its production decisions and ongoing mine production on mineral reserve estimates, preliminary economic assessments or feasibility studies, and historically such projects have increased uncertainty and risk of failure. Mineral resources that are not mineral reserves do not have demonstrated economic viability.