ATICO MINING CORPORATION

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

For the three months ended March 31, 2025

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 May 27, 2025, should be read in conjunction with the Company's audited consolidated financial statements for the year ended December 31, 2024, and 2023, and the unaudited condensed interim consolidated financial statements for the three months ended March 31, 2025 and 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 acquisition of 90% of the shares of Minera El Roble S.A. ("MINER"), the owner of the El Roble mineral property, taking 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, and amended in June 2022, the Company entered a five-year payment plan (the "Payment Plan") with the National Mining Agency ("NMA") of Colombia to pay for disputed royalties while resolving the dispute through Arbitration. As security for the Payment Plan, the Company had pledged metal concentrate inventory in favor of the National Mining Agency. On March 7, 2025, the arbitration tribunal at the Center for Arbitration and Conciliation of the Bogota Chamber of Commerce ruled in favor of the NMA, requiring the Company to back pay copper royalties since 1994 (the "Award"). As at March 31, 2025, the Company had paid COP$50 billion ($12 million) under the Payment Plan.

On April 9, 2025, the Tribunal clarified that the payment of the Award be made within the timeframe outlined in the Payment Plan, and as a result, on May 12, 2025, the Company and the NMA adjusted the Payment Plan accordingly to account for the Award and for previous payments made by the Company under the Payment Plan, indexed for inflation and interest. This resulted in a net liability of COP$58 billion ($13,832,261) owed to the NMA which is recorded in the Company's balance sheet at March 31, 2025, and is payable in biannual installments over two years, plus interest at an annual rate of 6%.

On May 23**,** 2025, the Company and the NMA executed a new 30-year mining agreement and related title for the El Roble mine. Additionally, the metal concentrate inventory previously pledged as security in favor of the NMA was released from the pledge. The Company intends to use the proceeds of the previously pledged concentrate sale to add liquidity to the operation and significantly reduce its liabilities.

FIRST QUARTER 2025 FINANCIAL AND OPERATING HIGHLIGHTS

- Sales for the quarter increased 11% to $19.9 million when compared with $17.8 million in Q1-2024 as higher realized copper and gold prices more than offset the decrease in volume sold. Copper ("Cu") and gold ("Au") accounted for 72% and 28% of the 8,468 (Q1-2024 – 9,383) dry metric tonnes ("DMT") sold during Q1-2024.

- The average realized price per metal was $4.44 (Q1-2024 - $3.97) per pound of copper and $2,987 (Q1-2024 - $2,180) per ounce of gold.

- Income from operations was $2.5 million (Q1-2024 – $1.3 million), while cash flows from operations, before changes in working capital, was $5.3 million (Q1-2024 – $5.8 million). Cash used for investing activities amounted to $1.7 million (Q1-2024 – $3.2 million).

- Net loss for the quarter was $0.8 million, compared with $0.4 million for Q1-2024.

- As at March 31, 2025, the Company had a working capital deficit of $10.1 million (December 31, 2024 – $11.3 million). The Company had $6.1 million (December 31, 2024 - $7.0 million) in long-term loans payable and $8.8 million (December 31, 2024 - $8.5 million) in long-term arbitration award payable included in other liabilities.

- Cash costs were $176.98 per tonne of processed ore (Q1-2024 – $160.10) and $3.00 per pound of payable copper produced (Q1-2024 – $2.57), which were increases of 11% and 17%, respectively, over Q1-2024 (refer to non-GAAP Financial Measures). The increase in cash cost per tonne was primarily driven by lower ore production in Q1-2025, which led to underutilization of capacity (as fixed costs were spread over fewer tonnes). The transition to the new zones in the El Roble mine experienced delayed by unforeseen rock quality challenges, which affected both tonnage and head grade as access to stopes was slowed down. Also, inflation, and the increase in ground support activities and stope preparation, impacted costs. Cash costs per pound of payable copper produced (net of by-product credits) also increased due to lower copper output due to the lower grade. The Company anticipates a gradual improvement in tonnage and grade in the following quarters as planned development and preparation pace recovers.

- Cash margin was $1.44 (Q1-2024 - $1.40) per pound of payable copper produced (refer to non-GAAP Financial Measures) which was an increase of 2% over Q1-2024, due to the increase in realized copper price which more than offset the increase in cash cost per pound mentioned above.

- All-in sustaining cash cost per payable pound of copper produced was $4.65, up from $3.41 in Q1-2024 (refer to non-GAAP Financial Measures). This increase was primarily due to lower copper output and higher sustaining capital expenditures on mine development, mine infrastructure, and ramp construction, necessary to maintain production capacity.

- The Company produced 5,763 (Q1-2024 – 8,274) DMT of concentrate with a metal content of 2.2 million (Q1-2024 – 3.3 million) pounds ("lbs") of copper and 1,578 (Q1-2024 – 2,185) ounces ("oz") of gold.

- Processed tonnes decreased 16% to 54,978 compared to 65,787 in Q1-2024.

- On March 7, 2025, the arbitration tribunal at the Center for Arbitration and Conciliation of the Bogota Chamber of Commerce ruled in favor of the National Mining Agency, requiring MINER to back pay copper royalties since 1994 (the "Award").

Subsequent Events to the Reporting Date:

- On April 8**,** 2025, the Company entered into an agreement with Trafigura PTE. LTD. (the "Lender") to amend the $10,000,000 credit agreement originally executed in February 2022 and previously amended in August 2024. Pursuant to the terms of this amendment, the principal repayment schedule has been revised as follows:

    1. $ 650,000 due on January 31, 2025 (PAID);
    2. $ 650,000 due on April 30, 2025 (PAID); and
    3. $ 8,700,000 due on June 30, 2025

- On April 9, 2025, the arbitration tribunal provided clarifications to the Award, instructing that the payment of the Award be made within the timeframe outlined in the Payment Plan, and consequently, MINER and the National Mining Agency adjusted the Payment Plan on May 12, 2025, to account for the Award and for previous payments made by MINER under the Payment Plan, indexed for inflation and interest.

- On May 23, 2025, the Company and the NMA executed a new 30-year mining agreement and related title for the El Roble mine. Additionally, the metal concentrate inventory previously pledged as security in favor of the NMA was released from the pledge.

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 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

	Q1 2025	Q1 2024
Production (contained metals)[1]		
Copper (000 lbs)	**2,220**	3,349
Gold (oz)	**1,578**	2,185
Silver (oz)	**4,988**	8,174
Mining		
Material (tonnes)	**56,467**	64,873
Milling		
Milled (tonnes)	**54,978**	65,787
Tonnes per day	**773**	811
Copper grade (%)	**1.96**	2.52
Gold grade (g/t)	**1.44**	1.67
Silver grade (g/t)	**10.26**	8.49
Recoveries		
Copper (%)	**93.3**	91.8
Gold (%)	**62.0**	61.7
Silver (%)	**39.3**	46.3
Concentrate		
Cu concentrate produced (DMT)	**5,763**	8,274
Copper (%)	**17.5**	18.4
Gold (g/t)	**8.5**	8.2
Silver (g/t)	**38.5**	30.7
Payable copper produced (000 lbs)	**2,080**	3,148
Cash cost per pound of payable copper produced[2]	**3.00**	2.57

[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 Q1-2025, the Company produced 2.2 million lbs of copper, 1,578 oz of gold, and 4,988 oz of silver. The decrease in metal production quarter-over-quarter was due to lower ore throughput and lower copper and gold head grades due to some operational challenges at the mine affecting the mining rate.

During Q1-2025, the mill operated for 71 days, a decrease of 12% compared to 81 days of operation in Q1-2024. Average copper and gold head-grades decreased by 22% and 14%, respectively, relative to Q1-2024.

Recoveries increased to 93.3% (Q1-2024 – 91.8%) for copper and 62.0% (Q1-2024 – 61.7%) for gold.

(Expressed in US dollars, unless otherwise indicated)

Cash costs were $176.98 per tonne of processed ore (Q1-2024 – $160.10) and $3.00 per pound of payable copper produced (Q1-2024 – $2.57), which were increases of 11% and 17%, respectively, over Q1-2024 (refer to non-GAAP Financial Measures). The increase in cash cost per tonne was primarily driven by lower ore production in Q1-2025, which led to underutilization of capacity (as fixed costs were spread over fewer tonnes). The transition to the new zones in the El Roble mine experienced delayed by unforeseen rock quality challenges, which affected both tonnage and head grade as access to stopes was slowed down. Also, inflation, and the increase in ground support activities and stope preparation, impacted costs. Cash costs per pound of payable copper produced also increased due to lower copper output due to the lower grade. The Company anticipates a gradual improvement in tonnage and grade in the following quarters as planned development and preparation pace recovers.

In Q1-2025, the all-in sustaining cash cost per payable pound of copper produced was $4.65, up from $3.41 in Q1-2024 (refer to non-GAAP Financial Measures). This increase was primarily due to lower copper output and higher sustaining capital expenditures on mine development, mine infrastructure, and ramp construction, necessary to maintain production capacity.

Cash used for capital expenditure activities at El Roble mine during Q1-2025 was $1.3 million (Q1-2024 - $1.7 million), primarily due to mine (underground) development.

Mining in Q1-2025 focused mainly on the Zeus ore body, with additional activity in Maximus and Principal. Ore was sourced from primary and secondary stopes across fourteen sublevels, between levels 1,687 and 2,134.

Concentrate Inventory

Amounts in dry metric tonnes	**Q1 2025**	Q1 2024
Opening inventory	**6,169**	8,227
Production	**5,763**	8,274
Sales	**(8,468)**	(9,383)
Adjustments	**40**	(116)
Closing inventory	**3,504**	7,002

All dry metric tonnes of metals concentrate in inventories at March 31, 2025, were pledged as security in connection to the agreement between the Company and the National Mining Agency. After March 31, 2025, the inventory was released from pledge. Production is trucked routinely from the El Roble mine to the port of Buenaventura, where 20,000 wet metric tonnes (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 Q1-2025, the Company carried forward 6,169 DMT from the previous quarter, produced 5,763 DMT and sold 8,468 DMT of concentrate; the difference (after inventory adjustments) of 3,504 DMT is the concentrate inventory carried over to Q2-2025.

Exploration at El Roble

During Q1-2025, the Company drilled 282 meters in four holes, between levels 2000 and 2100, completing the infill drill program on the old workings which started on July 2024, with a total of 6,723 meter completed on the program. The infill drilling resulted in the interception of mineralization beyond the previously defined mineralized shell. The objective of the drill program is to add resources to the mineral resource estimate at El Roble. Work is ongoing to interpret and generate new drilling targets between levels 2000 and 2100 for 2025.

No regional exploration drilling was carried out during Q1-2025.

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.

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 mining concession is until 2049. 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, and it is ongoing.

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

Exploration at La Plata

In Q1-2025, the Company incurred $0.6 million (Q1-2024 - $1.1 million) in expenditure at La Plata, primarily on feasibility, engineering and permitting activities. No drilling was carried out during Q1-2025.

(Expressed in US dollars, unless otherwise indicated)

OUTLOOK

The Company is basing its 2025 guidance on its financial and production plan for the year ending December 31, 2025. Please refer to the Cautionary Note on Forward-Looking Statements at the end of this document. The Company has set the following objectives for 2025:

- Process between 250,000 and 270,000 tonnes.
- Maintain recovery above 91% for copper and 62% for gold.
- Maintain an average copper head grade between 2.1% and 2.3%.
- Maintain an average gold head grade between 2.2 g/t and 2.5 g/t.
- Maintain production between 26,000 and 30,000 dry tonnes of concentrate.
- Maintain production between 5,200 and 5,500 tonnes of copper.
- Maintain production between 12,500 and 13,500 ounces of gold.
- Maintain the mill mechanical availability at 95% to reach 330 days worked.
- Receive the environmental license and advance to a construction decision by the end of the year.
- Continue improving the safety and environmental standards.

SUMMARY OF QUARTERLY RESULTS

The following table provides selected financial information for the eight quarters up to March 31, 2025, and should be read in conjunction with the Company's consolidated financial statements for the years ended December 31, 2024, and 2023.

	Q1-2025	Q4-2024	Q3-2024	Q2-2024
Revenue	**$ 19,855,914**	$ 15,177,180	$ 24,599,601	$ 10,860,467
Income (loss) from operations	**2,515,347**	1,567,507	4,194,608	891,086
Net (loss) income for the period(1)	**(692,330)**	(17,291,506)	1,104,177	(506,770)
(Loss) earnings per share - basic and diluted	**$ (0.01)**	$ (0.14)	$ 0.01	$ (0.00)
Weighted average shares outstanding - basic and diluted	**121,286,185**	121,286,185	121,286,185	121,286,185

	Q1-2024	Q4-2023	Q3-2023	Q2-2023
Revenue	$ 17,818,115	$ 17,252,368	$ 15,279,950	$ 12,228,088
Income (loss) from operations	1,292,845	(4,850,756)	468,178	(602,944)
Net (loss) income for the period(1)	(433,643)	(3,956,133)	(1,073,650)	(60,936)
(Loss) earnings per share - basic and diluted	$ (0.00)	$ (0.03)	$ (0.01)	$ (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"). The $17.3 million net loss attributable to equity holders of the Company in Q4-2024 was primarily due to the $24.5 million pre-tax loss on the arbitration in Colombia for the royalty dispute with the National Mining Agency. The $4.8 million loss from operations in Q4-2023 was due to a one-time $5.7 million impairment of mineral properties in Colombia.

FIRST QUARTER FINANCIAL RESULTS

The first quarter net loss was $844,316 compared to $365,933 in Q1-2024, and basic and diluted loss per share was $0.01 and $Nil, respectively. Income from mining operations was $3,742,816 (Q1-2024 - $2,801,863), and the Company had income from operations of $2,515,347 (Q1-2024 - $1,292,845).

Sales for Q1-2025 were $19,855,914 (Q1-2024 - $17,818,115) from the shipping and invoicing of 8,468 (Q1-2024 – 9,383) DMT of concentrate including final weight adjustments and provisional pricing adjustments on prior shipments. 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 a specified quotational period after delivery. Under the current sales agreement in place since 2023, final pricing for metals concentrates occurs one or four months after the month of sales.

Three months ended	**March 31, 2025**	March 31, 2024
Sales and realized prices		
Concentrate sold	**$ 18,265,753**	$ 17,317,316
Provisional pricing adjustments[(1)]	**1,590,161**	500,799
Sales per financial statements	**$ 19,855,914**	$ 17,818,115
Copper		
Provisional sales (000's lbs)	**3,317.6**	3,762.6
Realized price ($/lb)	**4.44**	3.97
Net realized price ($/lb)[(2)]	**4.17**	3.73
Gold		
Provisional sales (oz)	**2,042**	2,645
Realized price ($/oz)	**2,987**	2,180
Net realized price ($/oz)[(2)]	**2,144**	1,225
Silver		
Provisional sales (oz)	**10,291.6**	10,518.3
Realized price ($/oz)	**33.76**	24.83
Net realized price ($/oz)[(2)]	**6.89**	3.25

(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 Q1-2025 was $16,113,098 (Q1-2024 - $15,016,252). Cost of sales was higher than Q1-2024 as the higher cost of production per unit offset the volume sold in Q1-2025.

General and administrative ("G&A") expenses for Q1-2025 were lower compared to Q1-2025 consisting of the following components:

	Three months ended March 31, 2025			Three months ended March 31, 2024		
	Operations	**Corporate**	**Total**	Operations	Corporate	Total
Amortization	**$ 33,174**	**$ -**	**$ 33,174**	$ 59,263	$ 8,978	$ 68,241
General and administrative	**124,506**	**135,758**	**260,264**	154,909	131,965	286,874
Professional fees	**132,517**	**56,877**	**189,394**	118,655	124,754	243,409
Salaries and benefits	**387,363**	**340,846**	**728,209**	385,355	332,745	718,100
Transfer agent and filing fees	**-**	**7,773**	**7,773**	-	14,548	14,548
	$ 677,560	**$ 541,254**	**$ 1,218,814**	$ 718,182	$ 612,990	$ 1,331,172

Other income and expenses: In Q1-2025, the Company recognized share-based payments expense of $8,655 (Q1-2024- $177,846) for stock options and restricted share units ("RSUs") granted in between April 2022 and July 2024, where each has a vesting term over 36 months.

In Q1-2025, the Company recognized interest and finance costs of $756,112 (Q1-2024- $738,761) related to its loans payable and accretion on decommissioning and restoration provision and lease liabilities, a net realized gain of $214,534 (Q1-2024- $17,300 loss) on settlements of its derivative instruments, a net unrealized fair value gain of $85,219 (Q1-2024– $623,820 loss) on its outstanding derivatives, and a foreign exchange loss of $1,020,508 (Q1-2024– $170,235).

In Q1-2025, the Company recognized a current income tax recovery of $696,244 (Q1-2024- $812,682), and a deferred income tax expense of $2,579,020 (Q1-2024- $921,344).

LIQUIDITY AND CAPITAL RESOURCES

As at March 31, 2025, the Company had $2,438,225 in cash (December 31, 2024 - $3,055,305) and a working capital deficit of $10,065,506 (December 31, 2024 – $11,305,822). 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 loan payments.

The working capital deficit as of March 31, 2025, included loans and borrowings for $19,252,606, classified in current liabilities, and the portion of the Award payable to the National Mining Agency of $5,017,768 coming due within 12 months.

As of March 31, 2025, the Company had $6,100,000 in long-term loans and borrowings and $8,814,493 of Award payable to the National Mining Agency due beyond one year.

In February 2022, and as amended in May 2023, the Company entered into a secured definitive credit agreement with Trafigura PTE Ltd. (the "Lender") 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 the Lender by extending the maturity date of the credit facility from August 8, 2024, to July 31, 2026, with the following principal repayment schedule:

1. $ 650,000 due on January 31, 2025, and April 30, 2025;
2. $ 700,000 due on July 31, 2025;
3. $ 950,000 due on Oct 31, 2025, January 31, 2026, and April 30, 2026; and
4. $ 5,150,000 due on July 31, 2026.

Subsequent to March 31, 2025, the Company entered into an amendment agreement with the Lender on April 8, 2025, in which the principal repayment schedule was revised, once again, as follows:

1. $ 650,000 due on January 31, 2025 (PAID);
2. $ 650,000 due on April 30, 2025 (PAID); and
3. $ 8,700,000 due on June 30, 2025.

In the amendment agreement, the Lender also waived events of default that in the opinion of the Lender had occurred and caused a material adverse effect to the Company. For added security for the Lender, the Company also agreed to pledge metal concentrate produced at the El Roble property (rotating pledge), whether existing and to be produced, until the credit facility is fully repaid.

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. The debenture matures in December 2025.

The cash flow generated from mining operations will be insufficient to repay the Company's loans and borrowings entirely at maturity. Consequently, the Company must secure additional funds through debt or equity financing to meet these obligations or negotiate to amend or extend their terms.

While additional funds will be required in order to repay the Company's loans, management believes that existing cash, cash flow generated from operations, and metal concentrate sales can fund the Award payments to the National Mining Agency, current operational requirements and capital projects. If future circumstances require more cash, and management chooses not to alter the Company's plans, external financing may be needed. To date, the Company has relied on a combination of equity financing and loans for acquisitions, expansions, and operations. Capital markets may not be receptive to new equity or debt offerings. The Company's growth and success depends on external financing, which may not be available on favorable terms.

Fourth quarter liquidity and capital resources

During Q1-2025, cash decreased by $617,080. The decrease was due to net cash of $1,735,533 and $351,809 used in investing and financing activities, respectively, offset by $1,486,631 provided by operating activities. Exchange rate changes had a negative impact on cash of $16,369.

Operating activities

During Q1-2025, net cash provided by operating activities amounted to $1,486,631, which included operating cash inflows before changes in non-cash operating working capital items of $5,327,944 and cash outflows from changes in non-cash working capital items of $3,841,313. Non-cash working capital changes included the effects of an increase in receivables of $4,925,520 and a decrease in inventories of $1,334,065, accounts payable and accrued liabilities of $293,725 and prepaid expenses and deposits of $43,867.

Investing activities

Cash used in investing activities during Q1-2025 totaled $1,735,533. The Company paid $930,701 and $122,767 towards mine (underground) development and regional exploration, respectively, at El Roble, and $262,997 towards plant and equipment additions and reclamation activities at El Roble. Additionally, the Company paid $633,602 on feasibility, engineering and permitting activities at La Plata, offset by $214,534 received on settlements of derivative instruments.

Financing activities

Cash used in financing activities during Q1-2025 amounted to $351,809. The Company withdrew $3,479,171 from its short-term credit facilities in Colombia and repaid $2,531,228 of principal of these short-term credit facilities. Furthermore, the Company made a principal payment of $650,000 on its loan with Trafigura PTE Ltd, $421,405 towards interest on loans, and $228,347 towards payments on leases at El Roble.

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:

Three months ended March 31, 2025		**Salary or fees**		**Share-based payments**		**Total**
Management	**$**	**275,031**	**$**	**-**	**$**	**275,031**
Directors		**4,250**		**17,036**		**21,286**
	$	**283,531**	**$**	**34,072**	**$**	**317,603**

Three months ended March 31, 2024		Salary or fees		Share-based payments		Total
Management	$	293,272	$	115,431	$	408,703
Directors		22,107		31,418		53,525
	$	344,183	$	146,849	$	491,032

As at March 31, 2025, the Company had $664,887 (December 31, 2024 - $701,485) due to directors and management related to remuneration and performance-based remuneration, which have been included in accounts payable and accrued liabilities.

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 has entered 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 March 31, 2025, the Company had outstanding forward arrangements to convert $1,132,000 (December 31, 2024 - $5,835,000) into Colombian pesos at the negotiated exchange rates up to May 2, 2025, resulting in a net asset carrying amount of $85,231 (December 31, 2024 – net liability of $26,732). During the three months ended March 31, 2025, the Company had a net realized gain of $214,534 (2024 - $Nil) on the settlement of its currency forward arrangements.

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 March 31, 2025, the Company had no outstanding sale arrangements and a carrying amount of $Nil (December 31, 2024 - $Nil). During the three months ended March 31, 2025, the Company had a net realized loss of $Nil (2024 - $17,300) on the settlement of its commodity derivative arrangements.

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

On December 29, 2021, the Company's operating subsidiary, Minera El Roble S.A. ("MINER") entered into an agreement (the "Agreement") with the National Mining Agency ("NMA") to resolve an ongoing royalty dispute. The Agreement required the Company and the NMA to seek a resolution to the royalty dispute through binding arbitration in Colombia.

Additionally, as part of the Agreement, the Company entered a five-year payment plan (the "Payment Plan") with the NMA, which was amended in June 2022, to pay for the disputed royalties in biannual instalments over five years including interest at a 6% annual rate. As at March 31, 2025, the Company had paid COP$50 billion ($12 million). As security for the Payment Plan, the Company had pledged one real estate property located in Colombia in addition to granting a rotating pledge over metal concentrate inventory.

On March 7, 2025, the arbitration tribunal at the Center for Arbitration and Conciliation of the Bogota Chamber of Commerce ruled in favor of the NMA, requiring the Company to back pay copper royalties since 1994 (the "Award"). On April 9, 2025, the tribunal clarified that the payment of the Award be made within the timeframe outlined in the Payment Plan, and as a result, on May 12, 2025, the Company and the NMA adjusted the Payment Plan accordingly to account for the Award and for previous payments made by the Company under the Payment Plan, indexed for inflation and interest. This resulted in a net liability of COP$58 billion ($13,832,261) owed to the NMA, which is recorded in the Company's balance sheet at March 31, 2025, and is payable in biannual installments over two years, plus interest at an annual rate of 6%.

On May 23, 2025, the Company and the NMA executed a new 30-year mining agreement and related title for the El Roble mine. Additionally, the metal concentrate inventory previously pledged as security in favor of the NMA was released from the pledge. The Company intends to use the proceeds of the previously pledged concentrate sale to add liquidity to the operation and significantly reduce its liabilities.

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 years ended December 31, 2024.

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 10,697,229 stock options outstanding with expiry dates ranging from October 9, 2025 to July 5, 2029.

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 ("AISC") and all-in cash cost ("AIC") 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 (including initial construction capital expenditures when applicable) 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 three months ended March 31, 2025:

Expressed in $000's		**Q1 2025**		Q1 2024
Cash cost per tonne of processed ore				
Cost of sales[(1)]	**$**	**16,113**	$	15,016
Add / subtract				
Change in concentrate inventory		**(3,540)**		(849)
Depletion and amortization in concentrate inventory		**823**		800
Commercial and government royalties		**(1,074)**		(988)
Depletion and amortization in cost of sales		**(2,592)**		(3,446)
Aggregate cash cost		**9,730**		10,533
Total processed ore (tonnes)		**54,978**		65,787
Cash cost per tonne of processed ore ($/t)	**$**	**176.98**	$	160.10
Mining cost per tonne	**$**	**79.04**	$	74.09
Milling cost per tonne		**39.43**		31.86
Indirect cost per tonne		**49.35**		42.69
Distribution cost per tonne		**9.16**		11.46
Total production cost per tonne of processed ore ($/t)	**$**	**176.98**	$	160.10

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

Expressed in $000's	Q1 2025	Q1 2024
Cash costs per pound of payable copper produced		
Aggregate cash cost (above)	**$ 9,730**	$ 10,533
Add / subtract		
By-product credits	**(4,142)**	(4,102)
Copper treatment and refining charges	**230**	1,015
Transportation charges	**430**	646
Cash cost applicable to payable copper produced	**6,248**	8,092
Add / subtract		
Commercial and government royalties	**1,074**	988
G&A expenses	**1,185**	1,263
Share-based payments	**9**	178
Accretion of ARO	**79**	69
Sustaining capital expenditures[2]	**1,078**	150
All-in sustaining cash cost	**9,673**	10,740
Add / subtract		
Non-sustaining capital expenditures[2]	**84**	1,223
Brownfields exploration expenditures[2]	**123**	358
All-in cash cost	**9,880**	12,321
Total payable copper produced (000's lbs)	**2,080**	3,148
Per pound of payable copper produced ($/lb)		
Cash cost, net of by-product credits	**$ 3.00**	$ 2.57
All-in sustaining cash cost	**$ 4.65**	$ 3.41
All-in cash cost	**$ 4.75**	$ 3.91
Cash margin[3]	**$ 1.44**	$ 1.40

[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 $000's	Q1 2025	Q1 2024
Aggregate cash production cost	**$ 9,730**	$ 10,533
Cash cost per pound of payable copper produced		
Cash cost attributable to copper production[4]	**$ 6,964**	$ 8,563
Add / subtract		
By-product credit from silver	**(50)**	(12)
Copper treatment and refining charges	**230**	1,015
Transportation charges	**308**	526
Cash cost applicable to payable copper produced	**7,452**	10,092
Total payable copper produced (000's lbs)	**2,080**	3,148
Cash cost per pound of payable copper produced ($/lb)	**$ 3.58**	$ 3.21
Cash cost per ounce of payable gold produced		
Cash cost attributable to gold production[4]	**$ 2,766**	$ 1,970
Add / subtract		
Gold refining charges	**31**	31
Transportation charges	**122**	121
Cash cost applicable to payable gold produced	**2,919**	2,122
Total payable gold produced (oz)	**1,439**	1,986
Cash cost per ounce of payable gold produced ($/oz)	**$ 2,029**	$ 1,068

[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, 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 details of these risks, please refer to the risk factors set forth in the Company's Annual Information Form for the year ended December 31, 2023, which can be found under the Company's corporate profile on SEDAR+ at www.sedarplus.ca.

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 three months ended March 31, 2025, a 10% change in copper and gold prices would result in an increase/decrease of approximately $2,869,000 and $541,000, 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.

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 March 31, 2025, a 10% change in SOFR and/or LIBOR would result in an increase/decrease of approximately $481,000 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 forecast 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, considering 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) as of March 31, 2025:

	Less than 1 year	1 - 2 years	More than 2 years	Total
Accounts payable and accrued liabilities	$ 10,155,834	$ -	$ -	$ 10,155,834
Loans and borrowings [(1)]	19,252,606	6,100,000	-	25,352,606
Provision for restricted share units	56,924	50,528	12,339	119,791
Lease liabilities	720,665	742,613	-	1,463,278
Decommissioning and restoration provision	1,112,538	799,083	1,383,688	3,295,309
Arbitration award payable [(2)]	5,017,768	8,814,492	-	13,832,260
	$ 36,316,335	$ 16,506,716	$ 1,396,027	$ 54,219,078

[(1)] Refer to Liquidity and Capital Resources section as the maturities of the credit agreement with the Lender were amended to March 31, 2025.
[(2)] Refer to Contingency and Commitment section.

The Company will require additional financing to meet its repayment obligations to the Lender on or before June 30, 2025. There can be no assurance that additional financing will be available to the Company on reasonable commercial terms, if at all. The Company may be forced to pursue strategic alternatives such as reducing or delaying capital expenditure, selling assets or operations, seeking additional capital or restructuring or refinance its indebtedness. If these efforts are unsuccessful, it will have a material adverse effect on the Company, the Company's business and financial condition. Further, if the Company were to default on its obligations under the terms of its outstanding indebtedness in the future, the lenders of the secured debt instruments could enforce their security and seize the Company's assets.

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 March 31, 2025, 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 $1,907,000 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;
- development of the La Plata project and completion of full permitting process on the La Plata project, including finalizing 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; (10) assumptions made and judgments used in engineering and geological interpretation and the outcome of the Arbitration with the National Mining Agency in Colombia for the royalty dispute;

and (11) that additional financing sources will be available on reasonable commercial terms in order for the Company to make scheduled repayments of principal, interest, and any applicable premiums on its outstanding indebtedness.

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; risks associated with the Company's outstanding debt, including the Company's ability to successfully secure additional funds through debt or equity issuances to meet these obligations, including amounts due and payable to the Lender on or before June 30, 2025, or successfully negotiate to amend or extend their terms; 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; 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 resource 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.