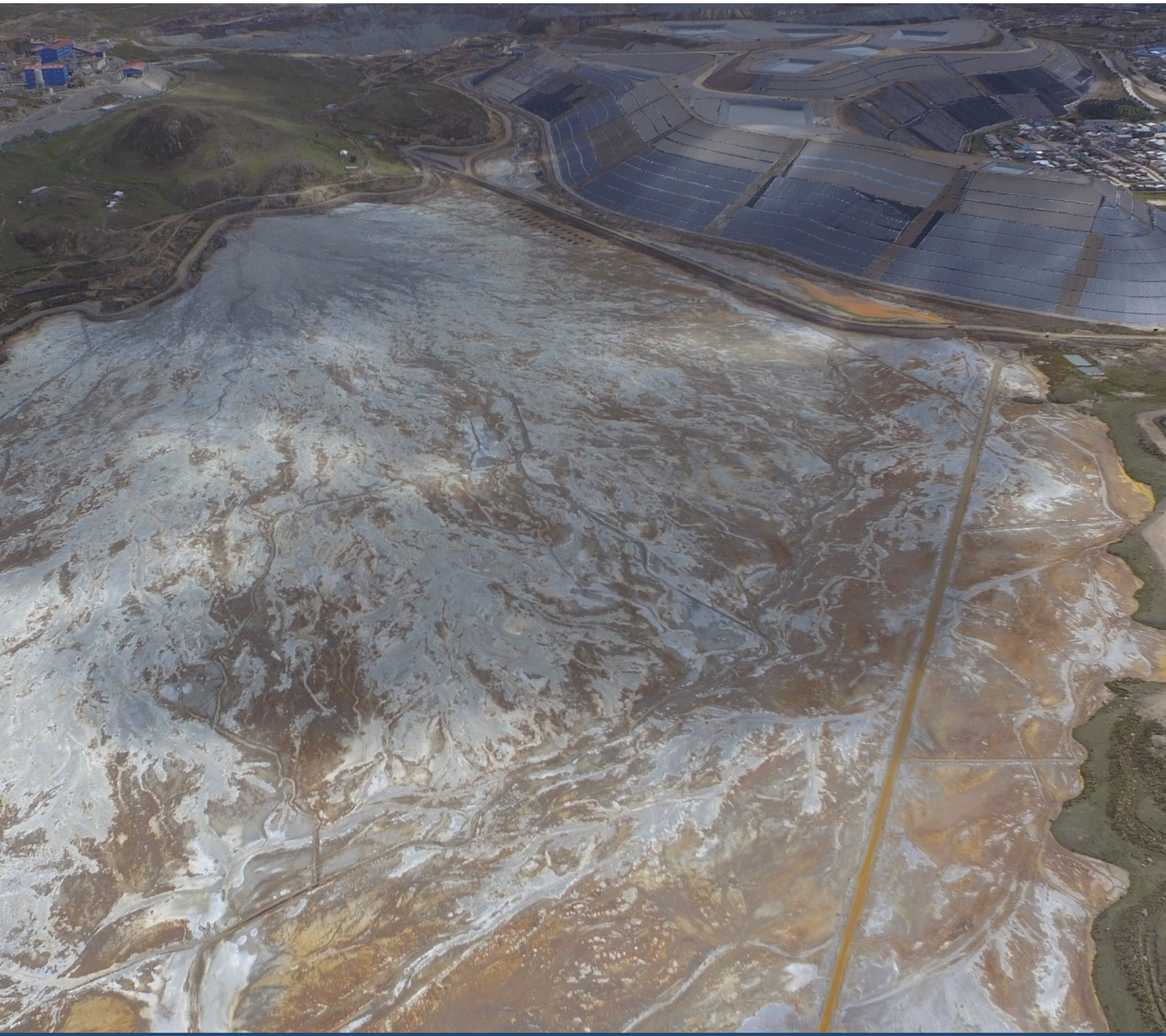

MANAGEMENT'S DISCUSSION & ANALYSIS

CERRO DE PASCO RESOURCES

Three-month and nine-month periods
ended September 30, 2023
(Third Quarter)

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

The following MD&A is a narrative explanation, through the eyes of the management of Cerro de Pasco Resources, on how the Company performed during the three-month and nine-month periods ended September 30, 2023. It includes a review of the Company's financial condition and review of operations for the three-month and nine-month periods ended September 30, 2023, as compared to the three-month and nine-month periods ended September 30, 2022.

This MD&A complements the condensed interim consolidated financial statements for the three-month and nine-month periods ended September 30, 2023, but does not form part of them. It is intended to help the reader understand and assess the significant trends, risks and uncertainties related to the results of operations and it should be read in conjunction with the condensed interim consolidated financial statements as at September 30, 2023 and related notes thereto as well as the audited annual consolidated financial statements, accompanying notes and Management's Discussion and Analysis for the year ended December 31, 2022.

The condensed interim consolidated financial statements for the three-month and nine-month period ended September 30, 2023, and 2022 have been prepared in accordance with the International Financial Reporting Standards ("IFRS") applicable to the preparation of annual consolidated financial statements. The accounting policies applied in the financial statements are based on IFRS issued and effective as at September 30, 2023. On November 22, 2023, the Audit Committee of the Board of Directors approved for issuance, the condensed interim consolidated financial statements for the three-month and nine-month period ended September 30, 2023.

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

REPORT'S DATE

The MD&A was prepared with the information available as at November 22, 2023.

CAUTION REGARDING FORWARD-LOOKING INFORMATION

This MD&A contains forward-looking statements that are based on the Company's expectations, estimates and projections regarding its business, the mining industry in general and the economic environment in which it operates as of the date of the MD&A. To the extent that any statements in this document contain information that is not historical, the statements are essentially forward-looking and are often identified by words such as "anticipate", "expect", "estimate", "intend", "project", "plan" and "believe". In the interest of providing shareholders and potential investors with information re6garding Cerro de Pasco Resources, including management's assessment of future plans and operations, certain statements in this MD&A are forward-looking and are subject to the risks, uncertainties and other important factors that could cause the Company's actual performance to differ materially from that expressed in or implied by such statements. Such factors include, but are not limited to: volatility and sensitivity to market metal prices, impact of change in foreign currency exchange rates and interest rates, imprecision in reserve estimates, environmental risks including increased regulatory burdens, unexpected geological conditions, adverse mining conditions, changes in government regulations and policies, including laws and policies; and failure to obtain necessary permits and approvals from government authorities, and other development and operating risks. The preliminary assessments contained in the Technical Report referred to in this MD&A, and the estimates contained therein to date are preliminary in nature and are based on a number of assumptions, any one of which, if incorrect, could materially change the projected outcome.

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

USE OF NON-IFRS FINANCIAL PERFORMANCE MEASURES

This MD&A refers to the following non-IFRS financial performance measures: Earnings before interest, taxes, depreciation and amortization ("EBITDA"), Earnings before interest and taxes ("EBIT"), Adjusted EBITDA, Adjusted EBIT, Adjusted Earnings per Share, Net Debt, C1 Cash Cost and All-In Sustaining Cost ("AISC").

These measures are not recognized under IFRS as they do not have any standardized meaning prescribed by IFRS and are therefore unlikely to be comparable to similar measures presented by other issuers. CDPR uses these measures internally to evaluate the underlying operating performance of the Company for the reporting periods presented. The use of these measures enables the Company to assess performance trends and to evaluate the results of the underlying business. CDPR understands that certain investors, and others who follow the Company's performance, also assess performance in this way.

The Company believes that these metrics measure our performance and are useful indicators of our expected performance in future periods. This data is intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS.

EBITDA and EBIT

EBITDA provides insight into overall business performance. This measure assists readers in understanding the ongoing cash generating potential of the business including liquidity to fund working capital, service debt, and fund capital expenditures and investment opportunities. EBITDA is profit attributable to shareholders before net finance expense, income taxes and depreciation, depletion, and amortization. EBIT is EBITDA after depreciation, depletion, and amortization. Other companies may calculate EBIT and EBITDA differently.

Adjusted EBITDA, Adjusted EBIT and Adjusted Earnings per Share

Adjusted EBITDA consists of EBITDA less the impact of impairments or reversals of impairment and other non-cash and non-recurring expenses and recoveries. Adjusted EBIT consists of EBIT less the impact of impairments or reversals of impairment and other non-cash and non-recurring expenses and recoveries. These expenses and recoveries are removed from the calculation of EBITDA and EBIT as the Company does not believe they are reflective of the Company's ability to generate liquidity and its core operating results.

Adjusted Earnings per Share consists of net income or loss in the period less the impact of impairments or reversals of impairment, settlement mark-to-market, fair value (gain) loss on financial instruments, (gain) loss on foreign exchange, restructuring expenses and other income or expenses.

C1 Cash Cost

This measures the estimated cash cost to produce a pound of payable zinc. This measure includes mine operating production expenses such as mining, processing, administration, indirect charges (including surface maintenance and camp), and smelting, refining and freight, distribution, royalties, and by-product metal revenues divided by pounds of payable zinc produced. C1 Cash Cost per pound of payable zinc produced does not include depreciation, depletion, and amortization, reclamation expenses, capital sustaining and exploration expenses.

AISC

This measures the estimated cash costs to produce a pound of payable zinc plus the estimated capital sustaining costs to maintain the mine and mill. This measure includes the C1 Cash Cost per pound and capital sustaining costs divided by pounds of payable zinc produced. All-In Sustaining Cost per pound of zinc payable produced does not include depreciation, depletion, and amortization, reclamation, and exploration expenses.

NATURE OF ACTIVITIES

Cerro de Pasco Resources Inc. and its subsidiaries (hereafter the "Company" or "Cerro de Pasco Resources" or "CDPR") is a sustainable-oriented mining and resource management company sensitive to the most demanding environmental, social, governance and legal compliance required by global institutions and investors.

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

- **Santander Mine**

Cerro de Pasco Resources acquired the Santander mine in late 2021 and has operated at an average of 60k tpd (tonnes per day) until end the of June when the Company announced that the Santander Operations would undergo a temporary curtailment due to macro-economic pressures affecting zinc price. As a result of the Curtailed Operations Plan, CDPR revised estimates for 2023 zinc and lead production to a new estimated range of 27.5 to 34.7 million lbs on a ZnEq[1]. basis

The Santander Advantage

The operating assets that Cerro de Pasco Resources owns at the Santander mine are held on the books for approximately $11.1M having been discounted when the former operator looked to close down the operation. As the Company works to expand the mine life and resources at Santander, it will enjoy a significant production advantage due to the potential replacement value of its operating assets. The assets are in first-class condition and include a 2,500 tonne per day sulfide milling and flotation plant originally commissioned in 2013, as well as buildings, communications equipment, underground infrastructure, support facilities, furniture, fixtures and other equipment. Likewise, social licenses as well as operating permits are, for the most part, already in place for future brownfield expansions.

Santander Pipe NI 43-101 PEA Study

The Santander Pipe NI 43-101 PEA Study entails pre-production development and shaft dewatering as well as retrofitting the plant to produce either a copper or lead concentrate.

The Company recently announced the results of a PEA based on a five-year minimum plan processing 2,500tpd at an average grade of 4.7% Zn and 0.11% Cu for an initial capex spend of $52M.

The expansion project is expected to generate more than $50M in cash over the LoM for a post-tax NPV of $31M and an IRR of 25%.

Consolidated Mine Plan

The Company's non-NI43-101 compliant budget plan includes the current resource at Magistral and all the known resources at the Santander Pipe (Main Pipe, Upper-zone, North Extension) and envisages mining 13Mt at 4.4% Zn producing 1.1Mt Zn, 15kt Pb and 49kt Cu of concentrate, representing ~560,000kt of payable ZnEq over 13 years at $ 1.00/lb AISC.

- **Quiulacocha TSF & Excelsior Stockpile**

CDPR holds 100% of the Quiulacocha tailings facility, the Company's flagship project. An August 2012 historical resource outlined 7.4Mt @ 39g/t Ag, 0.78% Pb and 1.42% Zn for 27Moz AgEq in an area representing ~10% of the ~70Mt TSF. Based on in-situ values of $80/T, it is believed if nearby processing infrastructure can be secured that the potential asset valuation of the TSF could be in excess of $500m.

Recent advancements in the project include:

- Signing an agreement for processing material at Glencore's Volcan Cerro De Pasco complex nearby – Volcan's processing facilities at Cerro De Pasco, Paragsha & San Expedito, are permitted to process 17,500tpd.
- Glencore to advance the Company an unsecured $2M loan to advance studies and drilling on the project.
- The Peruvian government listed the project as priority project for fast-tracking.
- The Company signed agreement with the local community, extending the surface rights contract.

[1] Prices considered are $1.51/lb for zinc, $1.01/lb for lead, and $23/oz for silver.

BUSINESS DEVELOPMENT HIGHLIGHTS Q3 2023

- **Signed Term Sheet for an Additional $12.0 million for Development of the Santander Mine**
  On July 25, 2023, the Company announced that it signed a Term Sheet with China Railway N° 10 Engineering Group CO. LTD., Sucursal del Perú ("CREC10"), an engineering and construction company, providing $12.0M of services to be used for the construction of infrastructure and development of the Santander Pipe Project (the "Funded Construction Services"). In addition, CREC10 will provide contract mining services at the Santander Mine. CREC10 is part of China Railway Group, a major corporate conglomerate and a Fortune Global 500 company.

- **Santander Operations – Curtailed Operations Plan**
  On August 1, 2023, the Company announced that due to macro-economic pressures affecting zinc price, the Santander operations will go into a new operations plan that contemplates temporary curtailment (the "Curtailed Operations Plan").

- **Issuance of Shares**

  On August 15, 2023, the Company issued to two service providers a total of 40,000 common shares valued at CA$4,000 for business development consultancy and consulting fees.

- **Grant of Options**

  On September 5, 2023, the Company granted 4,900,000 options to directors, officers, employees and consultants of the Company. The options were granted in accordance with the terms of the CDPR'S Stock Option Plan. All options vest on their date of grant and each option entitles the holder thereof to purchase one common share of the Corporation at a price of $0.20 for periods of two or five years from September 5, 2023.

- **Private Placement Financing**

  On September 29, 2023, the Company closed an initial tranche of a non-brokered private placement offering (the "Private Placement") for gross proceeds of $325,000. Under the Private Placement, the Company issued 3,250,000 units of the Company ("Units") at a price of $0.10 per Unit. Each Unit is comprised of one Common Share and half of one Warrant. Each whole Warrant will entitle its holder to purchase one additional unit (each a "Warrant Unit") at a price of $0.15 per Warrant Unit. Each whole Warrant entitles the holder thereof to purchase one additional unit (each a "Warrant Unit") at a price of $0.15 per Warrant Unit until September 29, 2025 (the "Expiry Date"). The Company may, at its option, accelerate the expiry date under certain conditions. Each Warrant Unit will consist of (i) one additional Common Share and (ii) one additional transferable Common Share purchase warrant (the "Underlying Warrants"). Each Underlying Warrant will entitle the holder thereof to acquire one additional Common Share (the "Underlying Warrant Shares") at a price of $0.25 per Underlying Warrant Share until the Expiry Date.

  In connection with the Offering, the Company paid an amount of $8,000 and issued 80,000 Warrants to arm's length third parties as finder's fees.

BUSINESS DEVELOPMENT SUBSEQUENT EVENTS

- **Update on Land Easement Application Process for Quiulacocha**

  On November 20, 2023, the Company confirmed that it was currently addressing the final requirements in relation to a two-year Legal Easement ("Easement"), providing access to the surface areas corresponding to CDPR's El Metalurgista Concession and the Quiulacocha Tailings Project ("QT Project"). The Easement, enabling the Company to perform confirmatory exploration via a 40-hole sonic drilling program, is expected to be passed by Supreme Resolution in December 2023.

- **Private Placement Financing**

  On October 6, 2023, the Company closed a second tranche of a non-brokered private placement offering (the "Offering") for gross proceeds of $342,000. Under the Private Placement, the Company issued 3,420,000 units of the Company ("Units") at a price of $0.10 per Unit. Each Unit is comprised of one Common Share and half of one Warrant. Each whole Warrant will entitle its holder to purchase one additional unit (each a "Warrant Unit") at a price of $0.15 per Warrant Unit. Each whole Warrant entitles the holder thereof to purchase one additional unit (each a "Warrant Unit") at a price of $0.15 per Warrant Unit until October 6, 2025 (the "Expiry Date"). The Company may, at its option, accelerate the expiry date under certain conditions. Each Warrant Unit will consist of (i) one additional Common Share and (ii) one additional transferable Common Share purchase warrant (the "Underlying Warrants"). Each Underlying Warrant will entitle the holder thereof to acquire one additional Common Share (the "Underlying Warrant Shares") at a price of $0.25 per Underlying Warrant Share until the Expiry Date.

  In connection with the Offering, the Company paid an amount of $2,400 and issued 24,000 Warrants to arm's length third parties as finder's fees.

  On November 20, 2023 the Company closed a third tranche of a non-brokered private placement offering (the "Offering") for gross proceeds of $1,105,000. Under the Private Placement, the Company issued 11,050,000 units of the Company ("Units") at a price of $0.10 per Unit. Each Unit is comprised of one Common Share and half of one Warrant. Each whole Warrant will entitle its holder to purchase one additional unit (each a "Warrant Unit") at a price of $0.15 per Warrant Unit. Each whole Warrant entitles the holder thereof to purchase one additional unit (each a "Warrant Unit") at a price of $0.15 per Warrant Unit until November 20, 2023 (the "Expiry Date"). The Company may, at its option, accelerate the expiry date under certain conditions. Each Warrant Unit will consist of (i) one additional Common Share and (ii) one additional transferable Common Share purchase warrant (the "Underlying Warrants"). Each Underlying Warrant will entitle the holder thereof to acquire one additional Common Share (the "Underlying Warrant Shares") at a price of $0.25 per Underlying Warrant Share until the Expiry Date.

SANTANDER MINE, PERU

Production Results

The following tables summarizes the key production indicators for the Santander Mine, Peru.

		Q3 23	Q3 22	Var	YTD 23	YTD 22
Production						
Zn Price	($/t)	2,431	3,271	-26%	18,964	3,528
Ore Mined	t	28,048	150,444	-81%	363,285	189,125
Ore Milled	t	27,828	155,270	-82%	361,694	189,125
Zn Head Grade	%/t	2.72%	3.70%	-26%	3.2	3.82
Pb Head Grade	%/t	0.32%	0.20%	59%	0.29	0.22
Ag Head Grade	oz/t	0.69	0.44	57%	0.67	0.5
Zn Recovery	%	92.4	94.8	-3%	94.32	95.1
Pb Recovery	%	70.2	71.1	-1%	68.21	72.78
Ag recovery	%	57.5	47.3	22%	48.27	48.35
Zn Metal Production	Mlbs	1.5	11.3	-87%	23,060	14,172
Pb Metal Production	Mlbs	0.1	0.5	-75%	1,339	666
Ag Metal Production	Oz	11,026	32,165	-66%	117,660	41,959
Zn Concentrate	t	1,484	11,262	-87%	24,544	25,434
Pb Concentrate	t	129	515	-75%	1,468	1,180
C1 Cash Cost [1]	$/lb	2.59	1.51	-272%	1.5	1.95
AISC [1]	$/lb	2.72	1.77	-254%	1.78	2.09
Development meters		0	1,213	-100%	3,435	1,987
Finance						
Revenues, net	(000)s $	1,160	9,221	-87%	17,980	30,693
Cost of Goods Sold	(000)s $	3,420	10,430	-67%	-29,919	-28,482
Gross Loss	(000)s $	-2,261	-1,209	87%	-11,940	2,211
Sales and Admin Expenses	(000s) $	-315	-638	-51%	-1,026	-1,209
Adjusted EBIT	(000)s $	-2,575	-1,847	39%	-12,965	1,002
Other income (expense)	(000)s $	-3,981	-75	5208%	-5,468	-991
EBITDA [1]	(000)s $	-6,556	-1,922	241%	-18,433	11
Depreciation	(000)s $	362	542	-33%	3,373	1,070
EBIT [1]	(000)s $	-6,194	-1,380	349%	-15,060	1,081

AISC Total Costs		Q3 23	Q3 22	Var	YTD 23	YTD 22
Mine Operating Expenses	(000)s $	3,425	9,854	-65%	27,432	28,286
Smelting and refining	(000)s $	309	4,014	-92%	9,058	8,462
Distribution	(000)s $	24	306	-92%	638	702
Royalties	(000)s $	1	25	-96%	72	78
Less: By-product revenues	(000)s $	(445)	(917)	-52%	(3,784)	(2,312)
C1 total costs	(000)s $	3,315	13,282	-75%	33,417	35,216
Sustaining CAPEX	(000)s $	163	2,606	-94%	5,669	1,813
Lease Payments	(000)s $	0	0	0%	0	0
AISC total costs	(000)s $	3,478	15,888	-78%	39,086	37,029
Pounds of zinc payable produced	Mlbs	1.3	9.9	-87%	20.0	22.5
C1 Cash Cost per pound	$US	2.59	1.35	92%	1.67	1.56
All-in Sustaining Cost per pound	$US	2.72	1.61	69%	1.95	1.64

Q3 2023 Highlights

- Metal production was 1.5 million pounds of zinc, 0.1 million pounds of lead, and 11 thousand ounces of silver. Year-to-date (YTD) production stands at 23 M lbs of zinc. 1.34M lbs of lead and 117,700 oz of silver. YTD production figures represent an 83% increase in Zn, 101% increase in Pb and 180% increase in Ag, respectively when compared to same time 2022 YTD production.
- The Company remains on track to achieve 2023 Revised Guidance
- The Santander mine remains in temporary suspension as previously announced in July 2023. All production was a result of 2 live-plant bulk-size metallurgical test of 28,000 tons material from the Santander Pipe. Overall, the results we very successful by achieving 92% metal recovery for zinc and 70% recovery for lead, confirming our consolidated model forecast, and the PEA results.
- Revenue in Q3 23 was $1.16 million, an 87% decrease vs Q3 2022. This is due to a 26% decrease in Zn price in Q3 2023 vs Q3 2022, as well as the temporary suspension of operations at Santander Mine.
- No new underground mine production and no new underground mine development in Q3 23.
- C1 Cash Cost from Q3 2023 was 2.59 $/lb of Zn, which is representative of the costs incurred to keep the operation under temporary suspension while also maintaining the active readiness of the Pipe Project.
- Year-to-date C1 cash cost is 1.5 $/lb of zinc, a 25% decrease from last year.
- As part of the temporary suspension announced in July 2023, the Company is also engaged in processing external material from third parties. This toll-milling scenario enables the Company to take advantage of available capacity at the plant while also generating additional cashflows, In Q3 2023, The Company ran two toll-milling batches for a total of 24,000 tonnes of material.
- In Q3 23 the Company experienced a temporary and abnormal increase in energy costs (over 500%) due to the weather droughts caused by "La Niña". On a positive note, the rain season in the central Peruvian Andes region begins in Q4 of 2023 and it is expected that energy prices will normalize soon, at which pint the Company will seek to lock in lower energy prices.

- On June 19th, 2023, the Company announced the discovery of La Cuñada Zone at the Santander Pipe, an additional potential resource that benefits the Pipe project. The La Cunada zone starts at the surface of the historic open pit (4580 masl), continues to the bottom of the pit (4380 masl), and ends at the historic underground operation (level 4220 - where the Upper-Zone starts).
- The La Cuñada Zone in the Santander Pipe involves vertical mineralization of approximately 200 meters and has the potential to add 2-3M tonnes with grades between 3-4% Zn, 0.3-0.4% Pb, 0.6-0.7 oz/tn Ag and 0.10-0.12% Cu. The La Cuñada Zone, for practical purposes, is divided into two zones: (1) Superficial Zone "La Isla", consisting of a remnant volume from old open pit mining, and (2) "La Cuñada-underground", which corresponds to historic underground mining.
- The 2023 Puajanca drilling was completed in early June. Puajanca, which is within proximity to the existing operation combined with the addition of La Cuñada potential zone are exciting complements to the Santander Pipe package. The campaign comprised 8 boreholes totaling 2,208 meters of drilling. Highlights include:
    a) The drill holes SAN-0295 and SAN-0297 intersected 39.6 meters grading 2.92% Zinc 0.81% Lead, 0.02% Copper and 1.60 opt Silver.
    b) Overall, the Puajanca drilling campaign intercepted 61.8 meters of mineralization with average grades of 2.96% Zinc 0.98% Lead, 0.03% Copper and 1.8 opt Silver.

Santander Mineral Resource Inventory

Magistral

The Mineral Resources Inventory for the Magistral Mine was declared in CDPR´s technical Report NI 43-101 by DRA Global in 2021. This report was updated in 2022 by DRA Global-Information Memorandum Report as of the 9th of September of 2022.:

Magistral Mineral Resources

Category	Tonnage (kt)	Zn (%)	Pb (%)	Ag (g/t)	Cu (%)
Measured	666	4.29	0.33	19.5	0.05
Indicated	1,789	3.99	0.18	18.1	0.06
Measured + Indicated	**2,454**	**4.07**	**0.22**	**18.5**	**0.06**
Inferred	1,248	3.52	0.12	16.1	0.06

1. *All Mineral Resources have been estimated in accordance with the CIM Definition Standards. Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability.*
2. *The Magistral Underground Mine Mineral Resource estimate is reported based on a net smelter return cut-off grade of $40/tonne with metal prices of: $3,000/tonne for Zn, $2,200/tonne for Pb, and $25/Oz for Ag.*
3. *For Magistral: NSR = (16.7 x %Zn) + (11.9 x %Pb) + (0.41 x g/tAg), assuming recoveries of 90% for Zn, 75% for Pb and 55% for Ag.*
4. *The mine Geology Department has prepared the Santander Magistral Underground Mine Mineral Resource model. Qualified Person, Mr. Graeme Lyall (FAusIMM), DRA independent Resource geology consultant, has validated the resource with adjustments effective September 09, 2022.*

Santander Pipe

The Mineral Resources Inventory for the Pipe Project effective date of the report declared in Preliminary Economic Assessment (DRA, 2023) as of the 31st of January of 2023:

Pipe Project Mineral Resources					
Category	**Tonnage (kt)**	**Zn (%)**	**Pb (%)**	**Ag (g/t)**	**Cu (%)**
Measured	-	-	-	-	-
Indicated	3,225	6.94	0.017	13.5	0.17
Measured + Indicated	**3,225**	**6.94**	**0.017**	**13.5**	**0.17**
Inferred	1,779	5.95	0.013	7.9	0.15

1. *All Mineral Resources have been estimated in accordance with the CIM Definition Standards. Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability.*
2. *The Santander Pipe Underground Deposit Mineral Resource estimate is reported based on net smelter return cut-off grade of $40/tonne with metal prices of $3,000/tonne for Zn, $2,200/tonne for Pb, $9,300/tonne for Cu, and $25/Oz for Ag.*
3. *For Santander Pipe: NSR = (17.5 x %Zn) + (11.1 x %Pb) + (40.8 x %Cu) + (0.37 x g/tAg), assuming recoveries of 90% for Zn, 70% for Pb, 60% for Cu and 50% for Ag.*
4. *The mine Geology Department has prepared the Santander Pipe Underground Deposit Mineral Resource Model. Qualified Person, Mr. Graeme Lyall (FAusIMM), DRA independent Resource geology consultant, has validated the resource with adjustments effective January 31, 2023.*

2023 Outlook

- The Company is focused on developing the Santander Pipe project. The Company is currently in the advanced stages with regards to the required financing. The Company expects to secure financing and restart Pipe development by Q1 of 2024.
- The Company plans to invest over $30 million in capital expenditure over the next two years, consisting of $22 million for development of the Santander Pipe project, $9 million for new infrastructure and $3 million in exploration.
- From January to June 2023 the realized value for the price of zinc fell by over 28% due to inflationary pressures and broader market volatility in the global economy.
- The highlights of an independent 43-101 PEA report were reported in a Company press release dated February 21st, 2023. Projects for Santander Pipe include detailed engineering, permitting, as well as preliminary construction activities related to the Santander Pipe project and water treatment capacity.
- In a press release dated August 1st, 2023, the Company announced the implementation of a new operations plan that contemplates temporary curtailment of the Santander operations. The company has implemented the Curtailed Operations Plan in order to assure the Pipe Project can be executed despite current Market conditions.
- The company expects to complete construction of the Magistral-Pipe-Tunnel by Q4-2024.
- By delineating further underground zones of potential mineral resources at La Cuñada, the Company can fast-track ore from the Pipe by Q1 of 2024. This also adds an additional 3-4 Million tonnes of potential ore to the resource.
- Accessing La Cuñada from the surface replaces the need to rehabilitate the Shaft. By replacing the shaft rehabilitation and construction with a La Cunada exploration ramp, the company achieves significant CAPEX savings while ultimately achieving the same goal of connecting to the Santander Pipe.
- The company anticipates completing construction of the La Cunada exploration ramp by Q1 2024.
- Complete an underground drilling campaign of the Santander Pipe and Pipe North Extension by Q2-2024.
- Further strengthen balance sheet through obtainment of project financing and working capital.

2023 Production Guidance & Outlook - Revised

As a result of the Curtailed Operations Plan, CDPR revises estimates for 2023 zinc and lead production to a new estimated range of 27.5 to 34.7 million lbs on a *ZnEq. basis, compared to prior guidance of 41.7 to 55.4 million lbs on ZnEq(3)

	Units	Guidance 2023 REVISED		
Payable production of ZnEq[1]	**(000)s lbs**	27,496	-	34,731
Payable production of Zinc	**(000)s lbs**	24,746	-	31,258
Payable production of Lead	**(000)s lbs**	1,316	-	1,662
Payable production of Silver	**(000)s oz**	123	-	155

1. *Cash Costs calculated on a by-product basis measured in zinc equivalent unit pounds. Zinc equivalent calculated by converting by-product lead and silver units equivalent to a Zinc unit by proportionally weighted unit value of by-product to the price value of each metal.*
2. *AISC costs reflect the sustaining capex required at Santander, such as tailings expansion, pumping & power infrastructure, and development in preparation for Pipe production.*
3. *Prices considered are 1.51 $/lb for Zinc, 1.01$/lb for Lead and 23 $/oz for Silver.*

El Metalurgista

➢ **Highlights**

- Unique location at the center of a historic mining cluster undergoing a process of consolidation in Cerro de Pasco.
- Significant scale with 170 million tons of material and massive overground resource.
- 42.9 million ounces of silver inferred with NI 43-101 certification at the outset with significant upside.
- Strong social license and support from local authorities combined with commitment to ESG principles.
- Unique management team with profound knowledge of Cerro de Pasco
- Near term production objectives and low initial capital requirements based on conservative assumptions

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

The most recent Historical NI 43-101 Mineral Resource Estimate for the Quiulacocha TSF by JA Brophy in 2012 were estimated at 2,500,000 tonnes grading 1.46% zinc per tonne, 0.85 % lead per tonne, 38 grams silver per tonne in the measured category*; and 4,900,000 tonnes grading 1.43% zinc per tonne, 0.76% lead per tonne, 38 grams silver per tonne in the indicated category*. This estimate was based on a shallow surface auger sampling program which is estimated to represent only 10% of the expected tonnes of the Quiulacocha tailings deposit.

** The resource estimates described above are historical in nature and cannot be relied upon for economic evaluations.*

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

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

Development Highlights

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

On March 7, 2023, the Company announced that the Quiulacocha Tailings Reprocessing Project is included in the 2023 Ministry of Economy and Finance (MEF) Specialized Projects List (Banco Especializado de Proyectos del Equipo Especializado de Seguimiento de la Inversión - EESI), which establishes the universe of projects on which it will prioritize its actions in order to ensure an efficient follow-up, with the objective of fast-tracking development and construction of the country's highest-impact projects.

On March 21, 2023, the Company announced that signed a Memorandum of Understanding Volcan Compania Minera S.A.A., setting out shared objectives and a framework for collaboration with regards to first phase of development and exploration of CDPR's Quiulacocha Tailings Project.

In addition, the Company announced that Glencore International AG will provide CDPR a $2 Million term loan to cover the costs associated with the first phase of the QT Project. This includes geophysical studies, a 40-hole sonic drilling program, laboratory testing, minerology studies, resource estimation and economic assessment. Funds will be disbursed in accordance with a schedule of milestones. The first disbursement will occur upon obtainment of easement.

Easement Process

The Easement process was initiated by CDPR on 25 August 2022 with the authority and guidance of the General Mining Bureau ("DGM"), the organic unit within the Ministry of Energy and Mines ("MINEM") responsible for formulating technical standards and issuing opinions related to mining permits and authorizations. Audiences were held between CDPR and Activos Mineros SAC ("AMSAC"), as further described below, who control surface rights over the entire QT Project area. Having confirmed AMSAC's rejection of a voluntary land easement, DGM endorsed the initiation of a Legal (or "Forced") Easement process.

Easement Approvals

Approvals were obtained from four ministries including 1. Energy and Mines, 2. Environment, 3. Housing and Construction, and 4. Agriculture. With the file complete, CDPR had expected DGM to draft a Supreme Resolution granting the Legal Easement in August, for signature by the MINEM Minister and the President of the Republic in September 2023.

Delays

Delays have been incurred as a result of two separate and consecutive appeals by AMSAC. The first was reviewed by the independent Mining Council, and duly resolved by DGM. The second, filed on 19 September 2023 and likewise relating to formal matters is currently in process, due to be assessed by the Mining Council on November 30th, following which the Council is expected to issue a definitive ruling in favor of the Easement.

Timing

As a result of delays caused by the AMSAC's appeals, the Supreme Resolution is now expected to be submitted for signature in December.

Terms of Easement

CDPR will pay AMSAC approximately US$1 million (3.7M soles) for the Easement and will be permitted to access and perform drilling inside its own concession area over a period of up to two years, providing access to the surface areas corresponding to CDPR's El Metalurgista Concession and the QT Project. The Easement will enable the Company to perform confirmatory exploration via a 40-hole sonic drilling program.

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

The Excelsior Stockpile covers a surface area of 67.92 ha and contains approximately 70 Mt of broken rock. The stockpile was in use between approximately 1970 and 1996 to store what was then considered uneconomic/low grade mineralization from the Raul Rojas open pit. The surface area of the Excelsior Stockpile lying within the El Metalurgista Concession is approximately 35 ha and contains approximately 30 Mt of broken rock.

NI 43-101 compliant Inferred Mineral Resource of 30.10 Mt grading 44 g/t Ag, 0.6% Pb and 1.5% Zn, containing 42.9 million ounces of silver, 437,000 tonnes of zinc and 184,000 tonnes of lead.

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

SOCIAL RESPONSIBILITY

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

- **Stakeholder Consultation**

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

- **Land Use Agreements**

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

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

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

The following phases of the process have been completed:

a. Mining expert opinion obtained.

b. Conciliation stage lead by the Centre of Conflict Resolution of the Catholic University of Peru (PUCP) completed.

c. Valuation of the easement request by an agronomic expert appointed by the Ministry of Housing, Construction and Sanitation (MVCS, for its acronym in Spanish) conducted.

d. CDPR has formally confirmed to the DGM its request for the granting of the easement.

The following milestones are expected to be obtained in September 2023:

a. The DGM forwards the complete file to the Ministry of Agricultural Development and Irrigation (**MIDAGRI**, for its acronym in Spanish) for the issuance of a favorable technical opinion.

b. Once MIDAGRI's opinion is received, the DGM prepares the draft Supreme Resolution that sets the amount of compensation to be paid for the easement, along with the minutes of the easement establishment. This Supreme Resolution requires the signature of the Minister of Energy and Mines, the Ministry of Agriculture, and the President of the Republic.

CORPORATE OBJECTIVES FOR 2023

- Complete Drilling Campaign for Quiulaocha Tailings Project
- Obtain land access agreement (rights of passage) for permission to access the surface land which underlays the El Metalurgista concession
- Obtain Peruvian Government assignment of responsibliity to restore and remeidate the entire area of the Quiuuloacha Tailings and Excelsior stockpile.
- Produce a Resource Estimate on Quiulaochca Tailings
- Complete Geophyscial, Minerolgoical and Metallurgical studies on the Quiulacocha Tailings.
- Advance towards the Santander Pipe.
- Explore and identify for new and additional resource potential at Santander with the focus on a 10 year plus life of mine
- Strengthen balance sheet

QUALIFIED PERSON

Mr. Jorge Lozano, MMSAQP and Chief Operating Officer for CDPR, has reviewed and approved the scientific and technical information contained in this news release. Mr. Lozano is a Qualified Person for the purposes of reporting in compliance with NI 43-101.

MINING PROPERTIES & EXPLORATION AND EVALUATION ASSETS

Mining properties and exploration and evaluation assets for the three-month and nine-month periods ended September 30, 2023 and 2022.

Mining properties
For the three-months ended September 30, 2023

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

Mining properties
For the three-months ended September 30, 2022

	PERU	PERU	
	Quiulacocha tailings and Excelsior stockpile	Santander	Total
Mining Properties	$	$	$
Mining rights	-	-	-
Additions	-	-	-
	-	-	-
Balance, beginning of period	1,262,104	-	1,262,104
Balance, end of period	1,262,104	-	1,262,104

Mining properties
For the nine-months ended September 30, 2023

	PERU	PERU	
	Quiulacocha tailings and Excelsior stockpile	Santander	Total
Mining Properties	$	$	$
Mining rights	-	-	-
Additions	221,522	-	221,522
	221,522	-	221,522
Balance, beginning of period	1,231,724	-	1,231,724
Balance, end of period	1,453,246	-	1,453,246

Mining properties
For the nine-months ended September 30, 2022

	PERU	PERU	
	Quiulacocha tailings and Excelsior stockpile	Santander	Total
Mining Properties	$	$	$
Mining rights	-	-	-
Additions	-	-	-
	-	-	-
Balance, beginning of period	1,262,104	-	1,262,104
Balance, end of period	1,262,104	-	1,262,104

Development, exploration and evaluation assets
For the three-months ended September 30, 2023

	PERU	PERU	
	Quiulacocha tailings and Excelsior stockpile	Santander	Total
Development, exploration and evaluation assets	$	$	$
Exploration costs	-	31,695	31,695
Transfer to property, plant, & equipment		-	-
	-	31,695	31,695
Balance, beginning of period	144,111	7,886,767	8,030,878
Balance, end of period	144,111	7,918,462	8,062,573

Development, exploration and evaluation assets
For the three-months ended September 30, 2022

	PERU	PERU	
	Quiulacocha tailings and Excelsior stockpile	Santander	Total
Development, exploration and evaluation assets	$	$	$
Exploration costs	-	892,016	892,016
Transfer to property, plant, & equipment		-	-
	-	892,016	892,016
Balance, beginning of period	144,111	7,529,953	7,674,064
Balance, end of period	144,111	8,421,969	8,566,080

Development, exploration and evaluation assets
For the nine-months ended September 30, 2023

	PERU	PERU	
	Quiulacocha tailings and Excelsior stockpile	Santander	Total
Development, exploration and evaluation assets	$	$	$
Exploration costs	-	583,629	583,629
Transfer to property, plant, & equipment		-	-
	-	583,629	583,629
Balance, beginning of period	144,111	7,334,833	7,478,944
Balance, end of period	144,111	7,918,462	8,062,573

Development, exploration and evaluation assets
For the nine-months ended September 30, 2022

	PERU	PERU	
	Quiulacocha tailings and Excelsior stockpile	Santander	Total
Development, exploration and evaluation assets	$	$	$
Exploration costs	-	3,176,631	3,176,631
Transfer to property, plant, & equipment		-	-
	-	3,176,631	3,176,631
Balance, beginning of period	144,111	5,245,338	5,389,449
Balance, end of period	144,111	8,421,969	8,566,080

Functional and presentation currency

These selected annual and quarterly financial information and other financial information are presented in US dollars ("USD"). The functional currency of Cerro de Pasco Resources Inc. is the Canadian dollar ("CAD"). The functional currency of Cerro de Pasco Resources Sucursal del Peru and Santander is USD. The functional currency of H2-Sphere GmbH is the Euro. See Note 4 to the audited annual consolidated financial statements for the year ended December 31, 2022, for change in presentation currency details.

IFRS Accounting policies

The Company's significant accounting policies under IFRS are disclosed in Note 5 in the audited annual consolidated financial statements for the year ended December 31, 2022.

Use of estimates and judgements

Please refer to Note 3 of the 2022 audited annual consolidated financial statements for an extended description of the information concerning the Company's significant judgments, estimates and assumptions that have the most significant effect on the recognition and measurement of assets, liabilities, income, and expenses.

Changes in accounting policies

As a result of the acquisition and increased operations of the acquired subsidiary, Santander, the Company has changed its financial statement presentation currency from CAD to USD, effective January 1, 2022. The change in the financial statement presentation currency is an accounting policy change and has been accounted for retrospectively. See Note 4 to the audited annual consolidated financial statements for the year ended December 31, 2022 for change in presentation currency details.

There were no other accounting changes in accounting policy to disclose during the three-month and nine-month periods ended September 30, 2023.

New standards and interpretations that have not yet been adopted

Since the issuance of the Company's audited consolidated financial statements for the year ended December 31, 2022, the IASB and IFRIC have issued no additional new and revised standards and interpretations which are applicable to the Company.

Dividends

Since its incorporation, the Company has not paid any cash dividends on its outstanding common shares. Any future dividend payment will depend on the Company's financial needs to fund its exploration programs, profitability in the Santander mining operations and its future growth, and any other factor that the Board may deem necessary to consider. It is highly unlikely that any dividends will be paid in the near future.

SELECTED QUARTERLY FINANCIAL INFORMATION

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

			2023				2022	2021
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4
	$	$	$	$	$	$	$	$
CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS								
Revenue from Zinc, Lead and Silver concentrate sales	1,160,013	4,515,149	12,304,938	9,898,469	9,220,818	6,891,234	14,580,777	7,120,766
Cost of Sales	3,420,227	11,893,468	14,605,490	13,335,711	10,511,822	8,249,807	9,729,666	4,534,445
Gross Profit	**(2,260,214)**	**(7,378,319)**	**(2,300,552)**	**(3,437,242)**	**(1,291,004)**	**(1,358,573)**	**4,851,111**	**2,586,321**
Expenses:								
Selling Expenses	42,646	311,885	302,479	304,194	305,929	179,564	216,770	139,105
Exploration and evaluation expenditures	-	-	-	2,810,494	-	836,873	-	-
Research and development expenses	-	-	-	-	-	-	-	544,887
Care and maintenance	3,616,741	-	-	-	-	-	-	-
General and administrative expenses	1,693,664	2,206,240	2,222,042	1,349,498	1,496,123	2,099,300	2,381,998	1,333,977
Operating income (loss) before other revenues (expenses) and income tax	**(7,613,265)**	**(9,896,444)**	**(4,825,073)**	**(7,901,428)**	**(3,093,056)**	**(4,474,310)**	**2,252,343**	**568,352**
Other revenues (expenses)								
Financial income	1,055	51,002	22,515	5,480	5,407	15,844	46,938	51,960
Financial expenses	(577,108)	(553,394)	(315,811)	(361,621)	(309,591)	(282,696)	(334,810)	(177,579)
Non-recoverable sales taxes	-	-	-	(146,216)	-	-	-	(48,782)
Change in fair value of other financial assets	8,015	(26,733)	2,655	(1,150)	(20,976)	-	-	(42,935)
Change in fair value of warrants and embedded derivative on convertible de	-	-	-	1,504	27,438	-	-	77,288
Change in fair value of contingent consideration	31	6	(6,156)	32,693	(1,341,188)	-	-	-
Gain on settlement of payables	-	-	-	-	-	-	-	-
Gain on convertible debenture refinancing	-	-	-	100,124	-	-	-	-
Gain on bargain purchase	-	-	-	-	-	-	-	561,123
Government assistance	-	-	-	-	-	-	-	-
Exchange gain (loss)	(80,785)	46,032	(276,173)	99,811	(390,187)	(131,244)	(38,678)	(111,379)
Gain(loss) on sale of subsidiary	246,876	-	-	-	-	-	-	-
Gain (loss) on dissolution of subsidiaires	-	-	-	(3,578)	103,275	-	-	-
Total other revenue (expense)	**(401,916)**	**(483,087)**	**(572,970)**	**(272,953)**	**(1,925,822)**	**(398,096)**	**(326,550)**	**309,696**
Income and mining taxes	-	(63,559)	(374,008)	(1,777,517)	(423,631)	448,437	(463,711)	(642,493)
Net income (loss) from continuing operations	**(8,015,181)**	**(10,443,090)**	**(5,772,051)**	**(9,951,898)**	**(5,442,509)**	**(4,423,969)**	**1,462,082**	**235,555**
Other comprehensive income (loss) from continuing operations								
Currency translation adjustment	81,108	(78,743)	284	41,490	391,682	183,386	(110,552)	(41,648)
Other comprehensive income (loss) net of tax	**81,108**	**(78,743)**	**284**	**41,490**	**391,682**	**183,386**	**(110,552)**	**(41,648)**
Net comprehensive income (loss) from continuing operations	**(7,934,073)**	**(10,521,833)**	**(5,771,766)**	**(9,910,408)**	**(5,050,827)**	**(4,240,583)**	**1,351,530**	**193,907**
Net income (loss) from discontinued operations	(85)	(1,604)	(9,718)	(76,472)	(57,541)	(7,347)	(111,684)	-
Other comprehensive income (loss) from discontinued operations	111	1,385	(1,097)	28,198	(13,588)	(3,470)	(583)	-
Net comprehensive income (loss) from discontinued operations	**26**	**(219)**	**(10,816)**	**(48,273)**	**(71,129)**	**(10,817)**	**(112,268)**	
Net comprehensive income (loss)	**(7,934,047)**	**(10,522,052)**	**(5,782,582)**	**(9,958,681)**	**(5,121,956)**	**(4,251,400)**	**1,239,263**	**193,907**
Net income (loss) attributable to:								
Shareholders of Cerro de Pasco Resources Inc.	(8,015,249)	(10,444,373)	(5,779,825)	(10,013,075)	(5,488,542)	(4,429,846)	1,372,734	235,555
Non-controlling interest	(17)	(321)	(1,944)	(15,294)	(11,508)	(1,469)	(22,337)	-
	(8,015,266)	**(10,444,694)**	**(5,781,769)**	**(10,028,369)**	**(5,500,050)**	**(4,431,316)**	**1,350,398**	**235,555**
Other comprehensive income (loss) attributable to:								
Shareholders of Cerro de Pasco Resources Inc.	81,197	(77,635)	(594)	64,048	380,812	180,610	(111,018)	(41,648)
Non-controlling interest	22	277	(219)	5,640	(2,718)	(694)	(117)	-
	81,219	**(77,358)**	**(813)**	**69,688**	**378,094**	**179,916**	**(111,135)**	**(41,648)**
Net comprehensive income (loss) attributable to:								
Shareholders of Cerro de Pasco Resources Inc.	(7,934,052)	(10,522,008)	(5,780,419)	(9,949,027)	(5,107,730)	(4,249,237)	1,261,716	193,907
Non-controlling interest	5	(44)	(2,163)	(9,655)	(14,226)	(2,163)	(22,454)	-
	(7,934,047)	**(10,522,052)**	**(5,782,582)**	**(9,958,681)**	**(5,121,956)**	**(4,251,400)**	**1,239,263**	**193,907**
Weighted averages shares outstanding	324,338,165	316,148,489	289,353,767	287,651,238	287,579,400	287,523,961	287,123,835	270,855,089
Basic and diluted income (loss) per share - continuing operations	(0.02)	(0.03)	(0.02)	(0.03)	(0.02)	(0.02)	0.01	0.00
Basic and diluted income (loss) per share - discontinued operatior	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	N/A
Basic and diluted income (loss) per share:	(0.02)	(0.03)	(0.02)	(0.03)	(0.02)	(0.01)	-	-

	2023			2022				2021
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION								
Cash and cash equivalents	530,939	1,563,191	1,464,415	992,301	2,150,242	3,756,537	6,892,901	9,981,779
Cash and cash equivalents - restricted	4,589,876	4,575,332	4,575,332	4,462,271	5,483,902	6,270,243	785,456	1,100,614
Accounts receivable	757,931	444,274	6,691,851	5,660,345	2,464,661	4,846,543	8,875,775	9,030,272
Other receivables	5,609,928	5,419,007	3,889,578	2,456,496	332,496	1,071,462	1,296,663	841,236
Income and mining taxes receivable	147,418	146,794	734,048	701,060	671,100	1,452,071	753,214	753,214
Inventories	2,500,584	2,243,973	2,404,669	2,547,917	2,352,207	2,628,738	1,987,751	2,337,334
Prepaid expenses	1,158,034	968,870	1,669,816	1,194,902	2,374,169	575,739	1,412,490	660,887
	-							
Cash and cash equivalents - restricted (non-current)	-	-	-	-	-	-	5,459,317	981,075
Property, plant & equipment	11,146,643	11,535,465	10,526,812	9,085,578	8,490,660	5,804,910	5,643,087	5,841,310
Deferred income tax	-	-	-	-	-	264,149	-	-
Right-of-use assets	-	-	-	-	-	-	-	-
Mining properties, exploration and evaluation assets	9,515,819	9,484,124	9,439,026	8,710,668	9,828,184	8,936,168	7,418,927	6,715,100
Total assets	**36,008,137**	**36,425,312**	**41,465,049**	**35,877,778**	**34,217,373**	**35,706,410**	**40,632,424**	**38,351,621**
Trade accounts payable and other liabilities	48,281,556	43,896,107	39,456,842	29,095,996	18,446,912	15,588,087	15,611,028	14,951,573
Promissory note	428,994	438,074	428,562	818,719	886,783	1,051,040	1,131,560	1,047,672
Balance of purchase payable	1,684,472	1,720,125	1,682,775	1,674,194	1,674,194	1,674,194	1,674,194	1,674,194
Current portion contingent consideration payable	2,500,000	-	2,500,000	2,493,844	-	-	-	-
	460,488	404,757	357,385	307,752	2,135,906	3,348,161	1,780,964	903,017
Current portion of provision for rehabilitation and mine closure								
Current portion of loan	2,448,522	28,178	371,885	699,453	999,118	1,344,737	1,383,937	1,296,513
Convertible debenture	1,115,595	990,509	987,636	922,029	866,888	1,149,792	1,157,944	1,085,794
Provision for taxes payable	1,725,501	1,803,393	1,715,112	1,715,112	-	-	-	-
Total current liabilities	**58,645,128**	**49,281,143**	**47,507,586**	**37,727,099**	**25,058,090**	**24,207,371**	**22,792,595**	**21,010,844**
Loan	212,732	-	-	-	-	22,719	371,774	641,640
Warrants - Liability	-	-	-	-	-	29,183	30,097	29,593
Deferred income tax	311,812	311,812	311,812	53,301	74,291	-	257,510	53,301
Contingent consideration payable	-	2,500,000	-	-	2,526,537	1,102,191	1,102,191	1,102,191
Provision for rehabilitation and mine closure	13,891,385	13,891,385	13,891,385	13,891,385	12,584,416	11,325,459	12,812,161	13,810,698
Total non-current liabilities	**14,415,929**	**16,703,197**	**14,203,197**	**13,944,686**	**15,185,244**	**12,479,552**	**14,573,733**	**15,637,423**
Equity (Deficiency)	**(37,052,920)**	**(29,559,028)**	**(20,245,734)**	**(15,794,007)**	**(6,025,961)**	**(980,513)**	**3,266,096**	**1,703,354**

The net loss of $8,015,249 for Q3-2023 is mainly attributable to net losses from Santander mining operations of $7,161,704.

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

The net loss of $5,779,825 for Q1-2023 is mainly attributable to net losses from Santander mining operations of $4,356,593.

The net loss of $10,013,075 for Q4-2022 is mainly attributable to net losses from the Santander mining operations of $4,368,843 offset by the gain from income and mining taxes of $1,777,517.

The net loss of $5,488,542 for Q3-2022 is mainly attributable to loss from Santander mining operations of $3,970,830, $1,341,188 of losses due to the change in fair value of contingent consideration, and $1,529,222 of losses from other operations which were mainly attributable to general and administrative expenses of $1,496,120.

The net loss of $4,429,846 for Q2-2022 is mainly attributable to losses from Santander mining operations of $2,694,569 compared to losses of $1,735,277 from other operations, which were mainly attributable to general and administrative expenses of $2,099,299.

The net income of $1,372,734 for Q1-2022 is mainly attributable to profits from the Santander mining operations of $3,524,401 offsetting $2,174,004 of losses from other operations which were mainly attributable to general and administrative expenses of $2,382,001.

The net income of $235,555 for Q4-2021 is mainly attributable to profits from Santander mining operations.

RESULTS OF OPERATIONS FOR THE THREE-MONTH PERIOD ENDED SEPTEMBER 30, 2023

Net loss

The basic and diluted loss per share for the three-month periods ended September 30, 2023 and 2022 is $0.02.

During the quarter ended September 30, 2023, the Company realized a net loss of $8,015,249 as compared to a net loss of $5,488,542 for the quarter ended September 30, 2022.

This increase in losses of $2,526,707 is mainly attributable to an increase in costs associated with operating the Santander mine in the amount of $2,474,127 and an increase in loss from other operations of $52,580.

Operating expenses

During the three-month period ended September 30, 2023, operating expenses from continuing operations were $5,353,051 as compared to $1,802,052 for the three-month period ended September 30, 2022. The increase in operating expenses is largely attributable to an overall increase general and administrative expenses as a result of the increase in operations.

Other revenues (expenses)

During the three-month period ended September 30, 2023, total other revenue (expenses) was ($401,916) as compared to other revenue (expenses) of ($1,925,822) for the three-month period ended September 30, 2022.

The large net decrease of $1,523,906 is mainly attributable to recognition of a change in fair value of contingent consideration during the third quarter of 2022, while in 2023, the fair value of the contingent consideration has remained relatively unchanged.

RESULTS OF OPERATIONS FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2023

Net loss

The basic and diluted loss per share for the nine-month period ended September 30, 2023, is $0.08 as compared to a loss of $0.03 for the nine-month period ended September 30, 2022.

During the nine-months ended September 30, 2023, the Company realized a net loss from continuing operations of $24,239,447 as compared to a net loss of $8,545,654 for the nine-months ended September 30, 2022.

This increase in losses of $15,693,794 is mainly attributable to the losses from Santander mining operations of $19,305,153 offset with a decrease in other operational expenses incurred by the CDPR Inc. and other subsidiaries.

Operating expenses

During the nine-month period ended September 30, 2023, operating expenses from continuing operations were $10,395,696 as compared to $7,516,557 for the nine-month period ended September 30, 2022. The increase in operating expenses is largely attributable to care and maintenance expenses of $3,616,741, incurred only in Q3 2023 as a result of halted production of the mine and an increase of $144,524 in general administrative expenses This was offset by a decrease of exploration and evaluation expenditures of $836,873 the nine months ended September 30, 2023 as compared to September 30, 2022 and a decrease of selling expenses of $45,253 in September 30, 2023 as compared to September 30, 2022.

Other revenues (expenses)

During the nine-month period ended September 30, 2023, total other revenue (expenses) was ($1,457,973) as compared to other revenue (expenses) of ($2,650,468) for the nine-month period ended September 30, 2022.

The net decrease of expenses of $1,192,495 is mainly attributable to the loss on fair value of contingent consideration during the nine-month period September 30, 2022 of $1,341,188.

CASH FLOWS

Cash flows from (used for) operating activities

Cash flows from operating activities were $1,744,973 during the nine-months ended September 30, 2023, an increase of $1,942,115 as compared to cash flows used for operating activities of ($197,142) during the nine-months ended September 30, 2022. The increase is mostly attributable to an increase of $15,951,889 in cash flows from change in working capital items and an increase of $2,781,927 from depreciation of property, plant, and equipment. These large increases were offset by an increase of net losses of ($15,660,759).

Cash flows from (used for) financing activities

Cash flows from financing activities were $4,262,537 during the nine-months ended September 30, 2023, an increase of $5,664,710 as compared to cash flows used in financing activities of ($1,402,173) for the nine-months ended September 30, 2022.

The increase was mostly caused by proceeds received form shares issued of $2,925,421 and proceeds received from a loan of $3,121,812, offset by repayments of the promissory note, loans, and convertible note of $1,680,487, and share issuance costs of $104,209.

Cash flows used for investing activities

Cash flows used for investing activities were ($6,468,246) during the nine-months ended September 30, 2023, a decrease of $15,157 as compared to cash flows used for investing activities of ($6,453,089) for the nine-months ended September 30, 2022.

The cash flows used for investing activities remained relatively the same from period to period. The increase of expenditures on acquisition of property of ($2,386,638) were mostly offset by the decrease of expenditures on investment in mining concessions and development of $2,593,003.

OTHER FINANCIAL DISCLOSURES

Related party transactions

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

	Three-months ended		Nine-months ended	
	September 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
	$	$	$	$
Management and consulting fees	322,366	363,008	964,370	1,552,879
Salaries and director's fees	124,514	113,098	339,347	316,431
	446,880	476,106	1,303,717	1,869,310

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

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

Contingency

Please refer to Note 32 of the audited financial statements for the year ended December 31, 2022, for a summary of the Company's commitments.

Off-financial position arrangements

As at September 30, 2023, the Company had no off-financial position arrangements.

Going concern assumption

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

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

Liquidity and capital resources

For the nine-month period ended September 30, 2023, the Company recorded a net loss of $24,239,449 due mainly to exploration and development through Santander mining operations in the El Metalurgista Project. As of September 30, 2023, the Company had an accumulated deficit of $67,886,961 ($43,609,287 as of December 31, 2022) and an accumulated other comprehensive income(loss) of $736,573 ($742,050 as of December 31, 2022).

As of September 30, 2023, the Company had a negative working capital of $43,299,453 (negative working capital of $19,645,567 as of December 31, 2022) consisting of unrestricted cash and cash equivalents of $530,939 ($992,301 as of December 31, 2022). For the nine-months ended September 30, 2023, the Company retrieved $1,744,973 from operating activities, $4,262,537 from financing activities, and used $6,468,246 from investing activities, leading to a net cash flow of $460,736.

Management believes that while these funds may be adequate to operate the Santander mine it may not be sufficient to meet the obligations and commitments of the Company as a whole. These uncertainties cast significant doubt regarding the Company's ability to continue as a going concern; unless any funding shortfall may be met in the future in a number of ways, including but not limited to the issuance of new equity instruments. In the nine-months ended September 30, 2023, the Company raised about $2.8 million, net of issuance costs, from private placements consisting of common shares to fund exploration works and working capital needs. While management has been successful in raising financing in the past, there is no assurance that it will succeed in obtaining additional financing in future operations. The recovery of the cost of exploration and evaluation assets as well as other tangible and intangible assets, is subject to certain conditions: the discovery of economically recoverable reserves, the ability of the Company to obtain the necessary financing to continue the exploration, evaluation, development, construction and ultimately disposal of these assets.

Capital management policies and procedures

The Company's capital management objectives are to ensure its ability to continue as a going concern and to maximize the return of its shareholders. The Company's definition of capital includes all components of equity and long-term debt. Capital for the reporting periods under review is summarized in Note 30 and in the consolidated statements of changes in equity of the audited annual consolidated statements for the year ended December 31, 2022. In order to meet its objectives, the Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. The Company finances its exploration and evaluation activities principally by raising additional capital either through private placements or public offerings. When financing conditions are not optimal, the Company may enter into option agreements or other solutions to continue its exploration and evaluation activities or may slow its activities until conditions improve. No changes were made in the objectives, policies, and processes for managing capital during the reporting periods.

Outstanding Share Data

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

	Number of shares outstanding (diluted)
Outstanding as of November 22, 2023	342,043,434
Shares reserved for issuance pursuant to share purchase options	15,230,000
Shares reserved for issuance pursuant to warrants	69,608,991
Convertible debentures	5,953,741
	432,836,166

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

Expiry date	Number of granted share options	Number of exercisable share options	Exercise price	Remaining life
			$	(years)
March 7, 2024	5,300,000	5,300,000	0.40	0.3
May 6, 2024	200,000	200,000	0.50	0.5
September 16, 2024	200,000	200,000	0.40	0.8
August 28, 2025	3,590,000	3,590,000	0.40	1.8
March 2, 2027	1,040,000	1,040,000	0.40	3.3
September 5, 2025	1,400,000	1,400,000	0.20	1.8
September 5, 2027	3,500,000	3,500,000	0.20	3.8
	15,230,000	**15,230,000**	**0.34**	**1.8**

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

Expiry date	Number of outstanding warrants	Exercise price	Remaining life
		$	(years)
December 20, 2023	785,714	0.50	0.1
May 27, 2024	4,283,277	0.50	0.5
November 8, 2024	3,000,000	0.50	1.0
November 26, 2024	3,000,000	0.25	1.0
March 22, 2025	8,895,000	0.25	1.3
March 24, 2025	7,160,000	0.25	1.3
March 31, 2025	9,190,000	0.25	1.4
May 31, 2025	1,968,000	0.25	1.5
June 5, 2025	8,357,500	0.25	1.5
June 20, 2025	450,000	0.25	1.6
June 23, 2025	591,500	0.25	1.6
July 18, 2025	500,000	0.50	1.7
July 26, 2025	500,000	0.50	1.7
August 26, 2025	500,000	0.50	1.8
September 26, 2025	500,000	0.50	1.8
September 29, 2025	1,705,000	0.15	1.9
September 29, 2025	1,705,000	0.25	1.9
October 26, 2025	400,000	0.25	1.9
November 26, 2025	400,000	0.25	2.0
December 22, 2025	400,000	0.25	2.1
January 26, 2026	400,000	0.25	2.2
February 26, 2026	400,000	0.25	2.3
October 6, 2025	1,734,000	0.15	1.9
October 6, 2025	1,734,000	0.25	1.9
November 6, 2025	5,525,000	0.15	2.0
November 6, 2025	5,525,000	0.25	2.0
	69,608,991	**0.27**	**1.5**

FINANCIAL RISK MANAGEMENT

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

RISK AND UNCERTAINTIES

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

CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

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

OPERATIONAL RISKS

INDUSTRY CONDITIONS

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

CERTAIN RISKS ASSOCIATED WITH THE EL METALURGISTA CONCESSION

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

ENVIRONMENTAL MATTERS

The Company's operations are subject to environmental regulations promulgated by government agencies from time to time. Environmental legislation provides for restrictions and prohibitions of spills, release or emission of various substances produced in association with certain mining industry operations, such as seepage from tailing disposal areas, which could result in environmental pollution. A breach of such legislation may result in imposition of fines and penalties. In addition, certain types of operations require submissions to and approval of environmental impact assessments. Environmental legislation is evolving in a manner which means stricter standards and enforcement, fines and penalties for non-compliance are more stringent.

Environmental assessments of proposed projects carry a heightened degree of responsibility for companies and directors, officers, and employees. The cost of compliance with changes in governmental regulations has the potential to reduce the profitability of operations. The Company intends to fully comply with all environmental regulations.

LICENSES AND PERMITS

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

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

POLITICAL AND COUNTRY RISKS

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

PRODUCTION AND COST ESTIMATES

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

DEPENDENCE ON MANAGEMENT

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

COMPETITION

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

SHARE PRICE VOLATILITY

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

UNINSURED RISK

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

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

LITIGATION

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

INCREASED COSTS AND COMPLIANCE RISKS OF BEING A PUBLIC COMPANY

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

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

ANTI-CORRUPTION LAWS

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

EXPLORATION AND MINING RISKS

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

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

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

STAGE OF DEVELOPMENT

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

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

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

RISKS RELATED TO STATUTORY AND REGULATORY COMPLIANCE

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

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

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

TITLE RISKS

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

CONFLICT OF INTERESTS

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

KEY EMPLOYEES

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

FINANCIAL RISKS

METAL PRICE VOLATILITY

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

FOREIGN EXCHANGE RATE FLUCTUATIONS

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

CAPITAL NEEDS

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

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

CANADA CUSTOMS AND REVENUE AGENCY

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

REPUTATIONAL RISK

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

CERTIFICATION OF ANNUAL FILINGS

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

- The President and Chief Executive Officer and the Chief Financial Officer confirm to have reviewed the annual financial statements and the annual MD&A (together, the "annual filings") of the Company for the year ended December 31, 2022.
- Based on their knowledge, having exercised reasonable diligence, the President and Chief Executive Officer and the Chief Financial Officer confirm that the annual filings do not contain any untrue statement of a material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it was made, for the period covered by the annual filings.

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