MANAGEMENT'S DISCUSSION & ANALYSIS

For the three and six-month periods ended September 30, 2024 (2nd Quarter)

CERRO DE PASCO RESOURCES

MANAGEMENT'S DISCUSSION AND ANALYSIS
THREE-MONTH AND SIX-MONTH PERIODS ENDED SEPTEMBER 30, 2024 AND SEPTEMBER 30, 2023

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 six-month periods ended September 30, 2024. It includes a review of the Company's financial condition and review of operations for the three-month and six-month period ended September 30, 2024, as compared to the three-month and six-month period ended September 30, 2023.

This MD&A complements the condensed interim consolidated financial statements for the three-month and six-month periods ended September 30, 2024, but does not form part of them. It is intended to help the reader understand and assess the significant trends, risks and uncertainties related to the results of operations and it should be read in conjunction with the condensed interim consolidated financial statements as of September 30, 2024 and related notes thereto as well as the audited annual consolidated financial statements, accompanying notes and Management's Discussion and Analysis for the period ended March 31, 2024.

The condensed interim consolidated financial statements for the three-month and six-month periods ended September 30, 2024, and 2023 have been prepared in accordance with the International Financial Reporting Standards ("IFRS") applicable to the preparation of interim consolidated financial statements. The accounting policies applied in the financial statements are based on IFRS issued and effective as of September 30, 2024. On November 25, 2024, the Audit Committee of the Board of Directors approved for issuance, the condensed interim consolidated financial statements for the three-month and six-month period ended September 30, 2024.

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

REPORT'S DATE

The MD&A was prepared with the information available as of November 26, 2024.

CAUTION REGARDING FORWARD-LOOKING INFORMATION

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

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

NATURE OF ACTIVITIES

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

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

- **Quiulacocha Tailings Reprocessing Project**

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

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

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

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

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

BUSINESS DEVELOPMENT HIGHLIGHTS Q2 2025

- **Private Placement Financing and Notable New Insider of the Company**

  On July 8, 2024, the Company announced the closing of a non-brokered private placement, for total aggregate gross proceeds of $3,298,000 (the "Offering"). CDPR issued 32,980,000 units of the Company ("Units") at a price of $0.10 per Unit, each consisting of one common share (a "Common Share") and one Common Share purchase warrant (a "Warrant"). Each Warrant entitles its holder to purchase one Common Share at an exercise price of $0.15 per Common Share for a period of 24 months, subject to acceleration in certain circumstances (see news release dated June 27, 2024, for details).

  On September 29, 2024, Eric Sprott, a new insider of the Company, acquired 20,000,000 Units under the Offering through 2176423 Ontario Ltd., a corporation beneficially owned by him. 2176423 Ontario Ltd. also acquired 17,000,000 Common Shares from an existing shareholder of the Company through a share purchase agreement. Mr. Sprott now beneficially owns or controls 37,000,000 Common Shares and 20,000,000 Warrants, representing approximately 9.0% of the outstanding Common Shares on a non-diluted basis and 13.3% on a partially diluted basis assuming the exercise of such Warrants.

- **Promissory Note**

  On July 8, 2024, the Company repaid to the noteholder the outstanding amount of CAD $920,473.33 in principal and interest owed on a note due on July 31, 2024, in accordance with the terms of the note dated November 26, 2021, in the original principal amount of CAD $1,500,000, as amended (the "Note").

- **Debt Settlement**

  On July 8, 2024, the Company issued 500,000 shares as debt settlement upon termination of services provided by a Consultant to the Company, in accordance with the terms of a Termination Agreement dated November 24, 2023, and amended on July 12, 2024.

- **Convertible Note Extension**

  On July 31, 2024, the Company entered into an Amended and Restated Investment Agreement with the Convertible Note Holder. Following a partial cash repayment of CAD $275,000 the amount outstanding as of the Effective Date of July 1, 2024, is now CAD $1,367,709.47. Furthermore, the Maturity Date has been extended to June 30, 2025. In addition, the Company has agreed to a two-year extension of a total of 10,500,000 outstanding share purchase warrants initially issued to the Convertible Note Holder. As a result of the extension, 3,000,000 warrants with an exercise price of $0.25 will expire on November 8, 2026; 5,000,000 warrants with an exercise price of $0.15 will expire on January 21, 2028; and 2,500,00 Warrants with an exercise price of $0.15 will expire on May 1, 2028.

- **Historic Authorization and Start of Drilling Program at Quiulacocha**

  On August 27, 2024, the Company announced that it has received the required authorization for the Initiation of Exploration Activities from the Peruvian Ministry of Energy and Mines. This represents the first-ever such authorization to be granted in Peru for a new mining exploration project within a tailings storage facility. Accordingly, the Company proceeded to install its first drill rig to begin its Phase I drilling program at the Quiulacocha Tailings Project. The Company has in parallel completed first phase Geophysical Studies to outline the bottom surface of the tailings deposit.

- **Sale of Santander Mine**

  On September 3, 2024, the Company announced that it has entered into a share purchase agreement (the "Agreement") with FIC03 Fondo de Inversión Privado ("FIC03"), a Peruvian investment company controlled by Finanzas e Inversiones Corporativas ("FIC"). FIC specializes in managing alternative and distressed investments across various industries. Under the Agreement, the Company has agreed to sell its Santander Mine in Peru to FIC03 (the "Transaction").

  Pursuant to the Agreement which is effective as of August 29, 2024, CDPR has sold the shares of its Peruvian subsidiary Cerro de Pasco Resources Subsidiaria del Peru S.A.C., that holds the interest in the Santander mine, including all assets and liabilities associated with it, to FIC03, in exchange for a consideration comprised of a cash component of $2.00 and a variable price of up to $10,000,000, to be calculated, determined and paid according to the terms of the Share Purchase Agreement, from the date on which commercial production has been reached in the Santander Pipe. As part of the Transaction, the Company agrees to settle overtime outstanding obligations incurred between itself and its subsidiaries.

  In the event that the contingent royalties are to be collected in accordance with the Share Purchase Agreement, they may be applied against any outstanding balances remaining on the loan owed to Santander.

  The Transaction is an "arm's length transaction.

- **AGM Results**

  On September 19, 2024, the Company announced the results of its annual meeting of shareholders held on September 17, 2024 (the "Meeting").

  All resolutions put to vote at the Meeting passed with 99% or higher approval from the votes cast. The Company elected eight directors to its board, namely, John Booth, Frank Hodgson, Manuel Lizandro Rodriguez, Steven Zadka, Eduardo Loret de Mola, René Branchaud, Guy Goulet and John Carr.

Prior to the Meeting, Keith Brill informed the Company that he would not seek re-election at the Meeting. To fill the vacancy thus created, the board of directors proposed, and the shareholders approved the election of John Carr as a director.

John Carr is a chemical engineer and was co-founder of New Century Resources, which acquired and restarted the Century Zinc Mine, Australia. As Chief Development Officer, John was responsible for developing the large-scale brownfield base metal mine re-start and expansion at Century, now a top 15 global zinc producer and Australia's largest tailings reprocessing operation. John is also co-founder of Future Element, a private company established to develop commercial ventures for tailings reprocessing and rehabilitation globally and co-founder of Broken Hill Mines, who acquired the Rasp and Pinnacles Zinc-Lead-Silver projects. John is also a Non-Executive Director of ASX-listed Future Metals NL (ASX: FME).

The Company wishes to express its appreciation for Keith's contribution to the board of directors of the Company. Keith remains as a special advisor to the board.

At the Meeting, the shareholders of the Company also approved the appointment of Davidson and Company LLP as auditors of the Company.

- **Investor Relations Consultant Appointment**

On September 19, 2024, the Company announced the appointment of Ms. Donna Yoshimatsu as independent senior strategic advisor for investor relations effective immediately. She will work closely with senior management to broaden the Company's investor outreach with a particular focus on enhancing institutional awareness and strengthening the foundation of a growing shareholder base. In addition to spearheading the first investor and shareholder relations programs for Franco- and Euro-Nevada Mining Corps, Ms. Yoshimatsu has held senior positions with SNC-Lavalin Group and a number of precious and base metal mid-tier and junior mining companies over her 30-year career.

Pursuant to her agreement with the Company, Ms. Yoshimatsu was granted 250,000 stock options in accordance with the Company's stock option plan and a monthly fee of CA$6,500 plus applicable GST over an initial period of twelve months. The agreement may be terminated by either party by providing 60 days prior written notice to the other party.

- **Stock Options Grant**

On September 19, 2024, the Company announced that it has granted a total of 12,400,000 stock options to directors, officers, employees and consultants of the Company. Each option is exercisable to purchase one common share (a "Common Share") of the Company at an exercise price of $0.20 per Common Share for a period of five years.

- **Private Placement with Eric Sprott**

On September 26, 2024, the Company announced the closing of a non-brokered private placement of 20,000,000 units of the Corporation ("Units") at a price of $0.15 per Unit, for total gross proceeds of $3,000,000 (the "Offering"). Eric Sprott, through 2176423 Ontario Ltd., subscribed for the entire Offering, thereby significantly increasing his stake in CDPR.

Prior to the Offering, Mr. Sprott beneficially owned or controlled 42,387,500 Common Shares and 20,000,000 Warrants, representing approximately 9.9% of the outstanding Common Shares on a non-diluted basis and 13.9% on a partially diluted basis assuming the exercise of such Warrants. As a result of the Offering, Mr. Sprott beneficially owns or controls 62,387,500 Common Shares and 30,000,000 Warrants, representing approximately 13.9% of the outstanding Common Shares on a non-diluted basis and 19.3% on a partially diluted basis assuming the exercise of such Warrants.

The Units were acquired by Mr. Sprott for investment purposes. Mr. Sprott has a long-term view of the investment and may acquire additional securities of the Company including on the open market or through private acquisitions or sell securities of the Company including on the open market or through private dispositions in the future depending on market conditions, reformulation of plans and/or other relevant factors.

A copy of the early warning report with respect to the foregoing will appears on CDPR's profile on SEDAR+ at www.sedarplus.ca and may also be obtained by calling Guy Goulet, CEO of the Corporation at 1-579-476-7000 or writing to 2176423 Ontario Ltd. (1106-7 King Street East, Toronto Ontario M5C 3C5).
Each Unit consists of one common share of the Company (a "Common Share") and one half of one Common Share purchase warrant (a "Warrant"). Each whole Warrant entitles its holder to purchase one Common Share at an exercise price of $0.20 per Common Share until the earlier of the date which is 24 months after the issue date of the Warrants and, if applicable, the date specified by the Company that is no less than 30 days after the Company disseminates a news release providing notice that the twenty-day volume-weighted average trading price of the Common Shares on the Canadian Securities Exchange is greater than $0.60 (the "**Trigger Event**"), provided that the Trigger Event occurs on or after four months from the issue date of the Warrants.

The net proceeds from the Offering are expected to be used for drilling, sampling, metallurgy and general working capital purposes.

All securities issued in connection with the Offering are subject to a statutory hold period ending four months and one day from the date of issuance, in accordance with applicable securities laws. The participation of Eric Sprott, an insider of the Corporation, in the Offering is considered a "related party transaction" within the meaning of Multilateral Instrument 61-101 - *Protection of Minority Security Holders in Special Transactions* ("**MI 61-101**"). The Company relied on the exemptions from the formal valuation and minority shareholder approval requirements of MI 61-101 contained in sections 5.5(a) and 5.7(1)(a) of MI 61-101 in respect of related party participation in the Offering as neither the fair market value (as determined under MI 61-101) of the subject matter of, nor the fair market value of the consideration for, the transaction, exceeds 25% of the Company's market capitalization (as determined under MI 61-101).

BUSINESS DEVELOPMENT HIGHLIGHTS SUBSEQUENT EVENTS

- **Convertible Debenture Partial Conversion**

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

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

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

- **Convertible Debenture Full Conversion**

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

- **Commencement of Trading on OTCQB**

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

- **Announcement of Private Placement and Amendment to LIFE Offering Document for Aggregate Minimum Gross Proceeds of CA$15,000,000**

On November 19, 2024, the Company announced that it has filed an amended and restated offering document dated November 19, 2024 (the "A&R Offering Document") in connection with its previously announced brokered "best-efforts" private placement led by SCP Resource Finance LP, on behalf of itself and a syndicate of agents (hereinafter referred to collectively as the "Agents").

Pursuant to the A&R Offering Document, the Company offers, in each provinces of Canada, 33,333,333 units of the Corporation (each, a "Unit") at a price of $0.30 per Unit (the "Offering Price") for gross proceeds of $10,000,000 pursuant to the listed issuer financing exemption (the "Listed Issuer Financing Exemption") under Part 5A of National Instrument 45-106 – Prospectus Exemptions ("NI 45-106") (the "LIFE Offering") and a minimum of 16,666,667 Units at the Offering Price by way of a concurrent brokered private placement to certain purchasers (i) pursuant to applicable exemptions under NI 45-106, (ii) purchasers resident in the United States pursuant to one or more available exemptions from the registration requirements of the U.S. Securities Act, and (iii) purchasers outside of Canada and the United States on a basis which does not require the qualification or registration of any of the Corporation's securities and the Corporation to be subject to any ongoing disclosure requirements, under domestic or foreign securities laws, for additional gross proceeds to the Corporation of $5,000,000 (the "Concurrent Private Placement", and collectively with the LIFE Offering, the "Minimum Offering").

Each Unit will consist of (i) one common share in the capital of the Corporation (a "Common Share"), and (ii) one half of one Common Share purchase warrant (each whole warrant, a "Warrant"). Each Warrant will entitle its holder to acquire one additional Common Share (a "Warrant Share") at a price of $0.50 for a period of 24 months following the Closing Date (as defined herein).

The Agents have an option (the "Agents' Option") to increase the size of the Concurrent Private Placement by up to $2,250,000 by giving written notice of the exercise of the Agent's Option, or a part thereof, to the Corporation at any time up to three business days prior to the Closing Date (as defined herein).

The Corporation intends to use the net proceeds raised from the LIFE Offering and Concurrent Private Placement for exploration of the Quiulacocha Tailings Project and for general corporate and working capital purposes.

The securities issuable from the sale of Units pursuant to the Listed Issuer Financing Exemption are expected to be immediately freely tradeable and will not be subject to a hold period under applicable Canadian securities laws. The A&R Offering Document related to the LIFE Offering can be accessed under the Corporation's profile at www.sedarplus.ca and on the Corporation website at https://www.pascoresources.com/ Prospective investors should read the A&R Offering Document before making an investment decision.

The securities issued under the Concurrent Private Placement and the Agents' Option, if any, will be subject to a statutory hold period to the extent required by applicable securities law.

Closing of the LIFE Offering is conditional upon closing of the Concurrent Private Placement. The LIFE Offering and Concurrent Private Placement are expected to close concurrently November 25, 2024 (the "Closing Date"). Closing is subject to certain conditions including receipt of all necessary approvals.

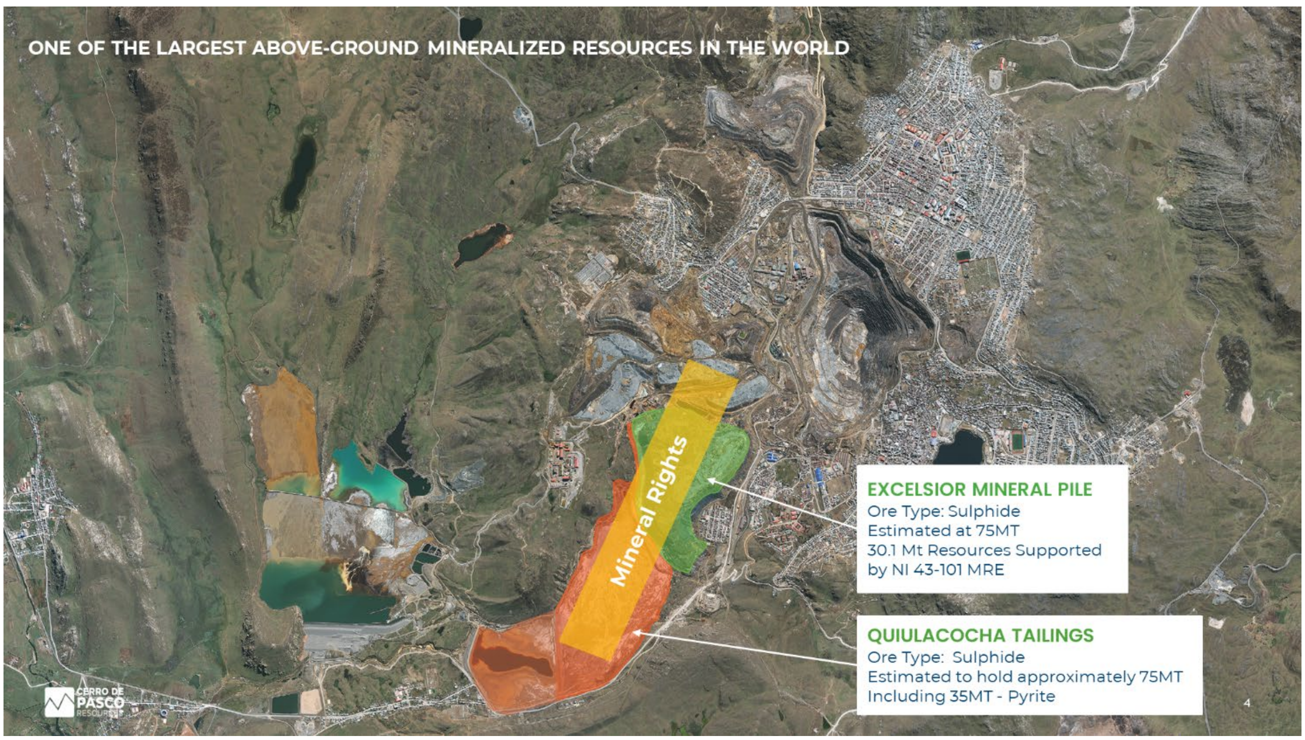
As consideration for their services, the Agents will receive an aggregate cash fee equal to 6.0% of the gross proceeds of the LIFE Offering and the Concurrent Private Placement (subject to reduction with respect to sales made to "president's list" investors), including gross proceeds resulting in the exercise of the Agents' Option, as applicable. In addition, the Corporation will issue to the Agents non-transferable warrants (the "Agent Warrants") representing 6.0% of the aggregate number of Units issued pursuant to the LIFE Offering and the Concurrent Private Placement (subject to reduction with respect to sales made to "president's list" investors), including Units issued in connection with the exercise of the Agents' Option, as applicable. Each Agent Warrant will entitle its holder to purchase one Unit at the Offering Price for a 24-month period.

- **Warrants Exercise**

In October and November 2024, a total of 250,000 warrants were exercised at $0.15 per warrant, generating proceeds of $37,500. Additionally, 1,165,080 warrants were exercised at $0.25 per warrant, generating proceeds of $291,270.

The Quiulacocha Tailings and Excelsior Stockpile

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



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

The most recent Historical Mineral Resource Estimate for the Quiulacocha TSF, by JA Brophy (2012), estimated 2,451,100 tonnes grading 1.46% Zn, 0.85% Pb, 38 g/t Ag in the measured category*; and 4,850,000 tonnes grading 1.43% Zn, 0.76% Pb, 38 g/t Ag 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 estimate described above is historical in nature, is not NI 43-101 compliant, 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, 4 g/t Au and over 300 g/t Ag and later from the mining of zinc-lead-silver mineralized material with average historical grades of 7.41% Zn, 2.77% Pb and 90.33 g/t Ag.

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

Development

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

On October 15, 2024, the Company reported that its 40-hole, Phase 1 drilling program at the Quiulacocha Tailings Project ("QT Project") was nearing completion and made available the results of its initial Drillhole SPT04.

Key Highlights

- Drillhole SPT04 intersected 19 meters at 1.91 Oz/t (59.5 g/t) Ag, 1.80% Zn, 0.77% Pb, 0.07% Cu and 0.07 g/t Au.
- The metal grades from SPT04 are higher than the shallow auger samples reported by Brophy (2012) on the north and central portions of the TSF, which had calculated average grades of 1.26 Oz Ag/t, 1.44% Zn, and 0.79% Pb.
- Of particular interest is the silver grade, 52% higher than historic samples.
- Copper-Silver mineralization is expected to be more prevalent in the southern zone.

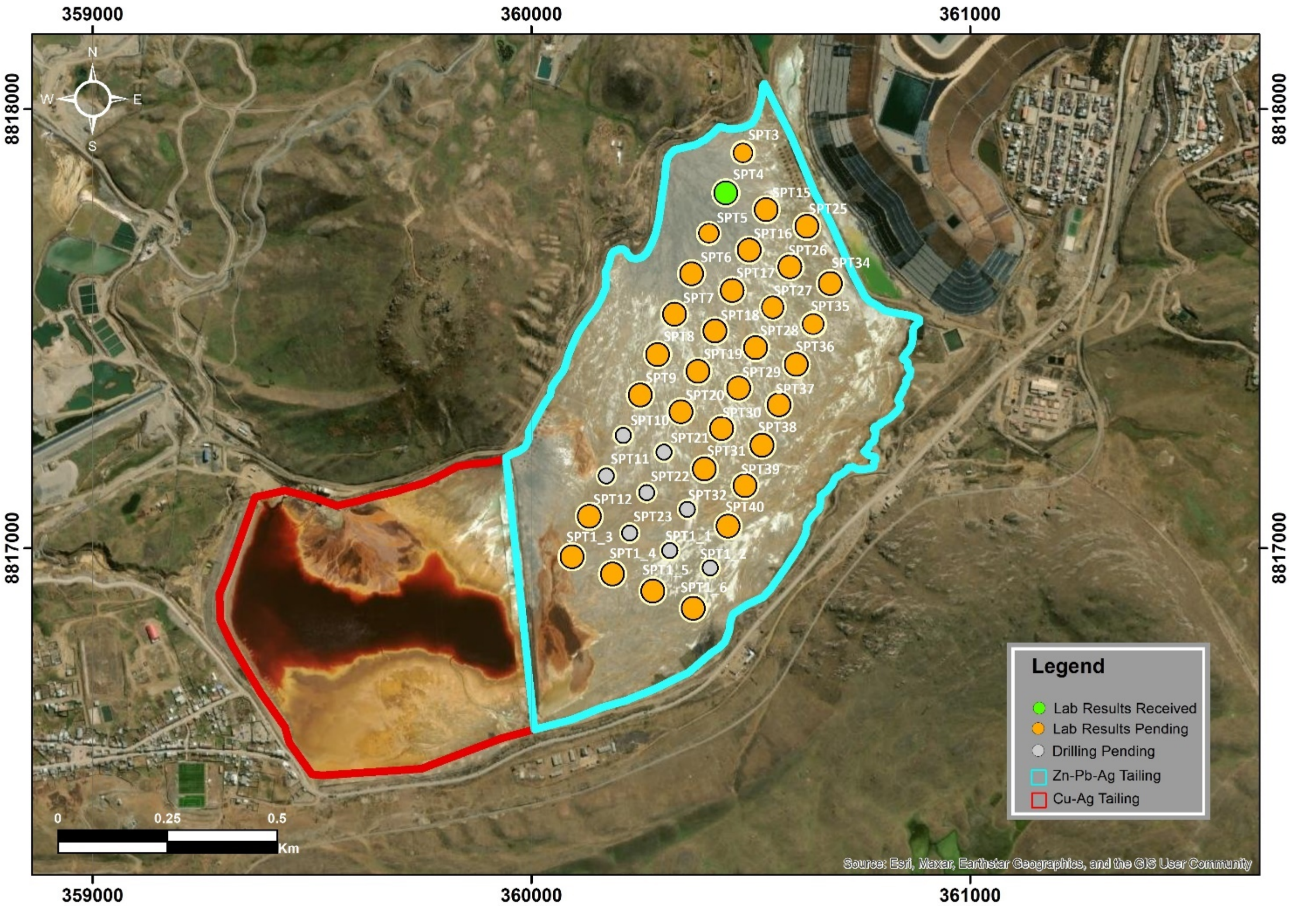


Figure 1: 40-hole Quiulacocha Drill Program showing completed and pending drill holes as of October 15, 2024.

<u>Initial Drill Results</u>

The initial geochemical assay results from the first completed drillhole SPT04, were released by Inspectorate Services Perú S.A.C., a Peruvian subsidiary of Bureau Veritas. The first samples were taken from the shallow north-western section of the tailings (see Figure 1) with predominant Ag-Zn-Pb. Drillhole SPT04 was completed at 19 meters after reaching clay soil with gravel at the base.

Key assays from the 19-meter drill hole are presented below:

Drill Hole	Depth (Meters)		Ag	Zn	Pb	Cu	Au	Ga	In	Fe
	From	To	oz/t	%	%	%	g/t	ppm	ppm	%
SPT04	0	1	2.97	0.34	1.37	0.02	0.08	72.95	23.28	22.59
	1	2	2.11	1.13	0.69	0.03	0.04	25.33	19.71	33.41
	2	3	1.72	1.57	0.54	0.02	0.02	9.79	20.23	35.23
	3	4	1.92	2.29	0.59	0.03	0.03	19.54	20.55	36.75
	4	5	1.8	1.97	0.54	0.03	0.02	19.55	18.80	36.36
	5	6	1.87	1.83	0.58	0.04	0.03	21.76	19.21	35.02
	6	7	2.61	2.44	0.91	0.05	0.03	17.18	22.53	34.71
	7	8	2.28	2.58	0.79	0.05	0.04	19.53	20.55	34.32
	8	9	1.96	2.98	0.78	0.06	0.03	15.76	20.81	37.74
	9	10	1.91	2.39	0.59	0.05	0.04	12.64	16.06	35.32

	10	11	1.95	2.60	0.69	0.06	0.04	15.71	18.48	34.19
	11	12	1.71	1.58	0.73	0.06	0.05	27.85	16.28	33.02
	12	13	1.59	1.44	0.69	0.06	0.05	27.17	13.48	29.81
	13	14	1.74	1.37	1.18	0.09	0.06	50.23	20.46	31.62
	14	15	1.68	1.60	0.97	0.09	0.08	41.54	18.65	32.57
	15	16	1.64	1.58	0.81	0.11	0.12	30.66	18.41	32.93
	16	17	1.65	1.68	0.69	0.18	0.21	22.97	16.75	31.78
	17	18	1.7	1.46	0.89	0.27	0.22	>100.00	9.12	20.6
	18	19	1.53	1.34	0.64	0.12	0.11	30.83	15.30	28.06
	Mean		**1.91**	**1.80**	**0.77**	**0.07**	**0.07**	**30.58**	**18.35**	**32.42**

These results, derived from a combination of multi-element ICP (detecting 60 elements), Atomic Absorption (for determining upper limits of metals Zn, Pb, and Cu), and Fire Assay for Au, provide the first-ever indication of the extent and continuity of metal concentrations at depth.

The Iron results also indicate consistent presence of pyrite throughout the deposit. Pyrite (indicatively 50% of the tailings) may represent a valuable by-product for the project. The upcoming metallurgical test work program will also evaluate the potential for pyrite recovery, including likely grades, by-products and impurities.

<u>Phase 1 Drill Program</u>

For the Phase 1 drilling campaign, CDPR engaged Ingetrol Comercial S.A.C., a subsidiary of Grupo Ingetrol (Chile), and ConeTec Peru, a subsidiary of the ConeTec Group (Canada). The campaign utilizes percussion and sonic drilling techniques to ensure the most accurate results.

The Company will drill 40 holes and collect over 1,000 samples in total to analyze a significant portion of the Quiulacocha tailings deposit.

On October 2nd, 430 samples from 21 drill holes reaching a depth of up to 42 meters, were safely transported to the laboratory in freezer containers and are currently under analysis. As of October 14th, 32 drill holes had been completed.

As of the date of this document the drill campaign is complete and additional laboratory results are pending.

<u>Laboratory Testing</u>

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

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

This extensive laboratory program will determine the mineral resource estimate and evaluate potential metallurgical methods for metal and pyrite recovery of the Quiulacocha tailings.

<u>Quality Assurance (QA) and Quality Control (QC)</u>

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

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

Geophysics

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

The Quiulacocha Tailings

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

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

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

With minimal mining costs due to surface-level material and current reprocessing capacity at adjacent plants, CDPR's Quiulacocha Project stands out as one of Peru's key mining initiatives. This project provides economic benefits and aims to restore the environment and create employment opportunities, aligning with the local community's needs.

- **El Metalurgista – Excelsior Stockpile**

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

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

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

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

Notes:

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

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

SOCIAL RESPONSIBILITY

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

- **Stakeholder Consultation**

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

- **Land Use Agreements**

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

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

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

CORPORATE OBJECTIVES FOR 2024

- Obtain land access agreement (rights of passage) for permission to access the surface land which underlays the El Metalurgista concession **(Completed)**
- Complete Drilling Campaign for Quiulaocha Tailings Project **(Completed)**
- Complete Geophyscial, Geochemical, Mineralogical and Metallurgical studies on the Quiulacocha Tailings. **(Partially Completed and Progressing)**
- Produce a Resource Estimate on Quiulaochca Tailings
- Restructure Santander Liabilities **(Santander was sold effective August 29, 2024)**
- Obtain Financing for Santander Pipe Project **(Santander was sold effective August 29, 2024)**
- Strengthen balance sheet **(Completed)**

QUALIFIED PERSON

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

MINING PROPERTIES & EXPLORATION AND EVALUATION ASSETS

Mining properties and exploration and evaluation assets for the three and six-months ended September 30, 2024 and 2023:

Mining properties

For the three-months ended September 30, 2024

	PERU	PERU	
	Quiulacocha tailings and Excelsior stockpile	Santander	Total
Mining Properties	$	$	$
Mining rights	-	-	-
Additions	-	-	-
Adjustments and concessions	-	-	-
	0	-	0
Balance, beginning of period	2,426,406	-	2,426,406
Balance, end of period	**2,426,406**	-	**2,426,406**

Mining properties

For the three-months ended September 30, 2023

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

Development, exploration and evaluation assets
For the three-months ended September 30, 2024

	PERU	PERU	
	Quiulacocha tailings and Excelsior stockpile	Santander	Total
Development, exploration and evaluation assets	$	$	$
Exploration costs	284,868	17,303	302,171
Adjustments and concessions	-	(61)	(61)
Sale of development, exploration and evaluation assets	-	(7,995,425)	(7,995,425)
	284,868	(7,978,183)	(7,693,315)
Balance, beginning of period	155,038	7,978,183	8,133,221
Balance, end of period	**439,906**	-	**439,906**

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
Adjustments and concessions	-	-	-
Sale of development, exploration and evaluation assets	-	-	-
	-	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**

Mining properties

For the six-months ended September 30, 2024

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

Mining properties

For the six month period ended September 30, 2023

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

Development, exploration and evaluation assets
For the six-months ended September 30, 2024

	PERU	PERU	
	Quiulacocha tailings and Excelsior stockpile	Santander	Total
Development, exploration and evaluation assets	$	$	$
Exploration costs	295,795	46,430	342,225
Adjustments and concessions	-	(109)	(109)
Sale of development, exploration and evaluation assets	-	(7,995,425)	(7,995,425)
	295,795	(7,949,104)	(7,653,309)
Balance, beginning of period	144,111	7,949,104	8,093,215
Balance, end of period	**439,906**	-	**439,906**

Development, exploration and evaluation assets
For the six month period ended September 30, 2023

	PERU	PERU	
	Quiulacocha tailings and Excelsior stockpile	Santander	Total
Development, exploration and evaluation assets	$	$	$
Exploration costs	-	76,793	-
Adjustments and concessions	-	-	-
Sale of development, exploration and evaluation assets	-	-	-
	-	76,793	-
Balance, beginning of period	144,111	7,841,669	7,985,780
Balance, end of period	**144,111**	**7,918,462**	**8,062,573**

Functional and presentation currency

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

IFRS Accounting policies

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

Use of estimates and judgements

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

Changes in accounting policies

On December 21, 2023, the Company changed its fiscal year end from December 31 to March 31. As a result, the Company is reporting a 15-month period, January 1, 2023 through March 31, 2024, for the transition period financial statements. The Company is utilizing the reporting period April 1 through September 30, 2024, which is the second period of the new fiscal year, for these financial statements and MD&A.

There were no other accounting changes in accounting policy to disclose during the three-month period ended September 30, 2024.

New standards and interpretations that have not yet been adopted

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

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

Dividends

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

SELECTED QUARTERLY FINANCIAL INFORMATION

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

CERRO DE PASCO RESOURCES INC.	2025		2024				2023	2022
SELECTED QUARTERLY FINANCIAL INFORMATION	Q2	Q1	Q5	Q4	Q3	Q2	Q1	Q4
	$	$	$	$	$	$	$	$
CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS								
Revenue from Zinc, Lead and Silver concentrate sales	-	-	-	-	-	-	-	-
Cost of Sales	-	-	223,712	80,159	5,644	(309,515)	-	-
Gross Profit	-	-	**(223,712)**	**(80,159)**	**(5,644)**	**309,515**	-	-
Expenses:								
Selling Expenses	-	-	-	190,451	-	(190,451)	-	-
Exploration and evaluation expenditures	-	-	-	-	-	-	-	-
Exploration and evaluation expenses	-	-	-	-	-	-	-	-
Care and maintenance	-	-	-	-	-	-	-	-
General and administrative expenses	1,372,925	837,927	560,192	26,114	865,200	1,696,556	964,387	597,092
Operating income (loss) before other revenues (expenses) and income tax	**(1,372,925)**	**(837,927)**	**(783,904)**	**(296,724)**	**(870,844)**	**(1,196,590)**	**(964,387)**	**(597,092)**
Other revenues (expenses)								
Other and financial income	(793)	(17,009)	65,044	179,557	251,497	217,680	76,049	118,741
Financial expenses	(154,200)	(166,785)	(97,799)	(282,195)	(429,384)	(311,084)	(244,938)	(281,967)
Non-recoverable sales taxes	-	-	-	-	-	-	-	(146,216)
Change in fair value of other financial assets	18,817	(2,809)	(5)	90	8,015	(26,733)	2,655	(1,150)
Change in fair value of warrants and embedded derivative on convertible debenture	-	-	-	-	-	-	-	1,504
Loss on extinguishment of note	(3,691)	-	52,610	-	-	-	-	-
Gain (loss) on extinguishment of convertible debt	-	-	(161,411)	-	-	-	-	100,124
Loss on modification of note	6,279,835	-	(38,767)	-	-	-	-	-
Loss on modification of convertible debt	97,316	-	(44,974)	-	-	-	-	-
Gain (loss) on dissolution of subsidiaires	-	-	-	-	-	-	-	(3,578)
Change in fair value of contingent consideration	-	-	(1)	19	31	6	(6,156)	32,693
Gain on bargain purchase	-	-	-	-	-	-	-	-
Government assistance	-	-	-	-	-	-	-	-
Exchange loss	(12,623)	(8,797)	(4,375)	(14,171)	22,409	117,962	(206,325)	(307,473)
Gain on sale of subsidiary	30,562,850	-	-	-	246,876	-	-	-
Other expenses	-	-	(3)	(114,462)	-	114,462	-	-
Total other revenue (expense)	**36,787,511**	**(195,400)**	**(229,681)**	**(231,162)**	**99,444**	**112,293**	**(378,715)**	**(487,322)**
Income and mining taxes	-	-	53,301	-	-	-	-	-
Net income (loss) from continuing operations	**35,414,586**	**(1,033,327)**	**(960,284)**	**(527,886)**	**(771,400)**	**(1,084,297)**	**(1,343,102)**	**(1,084,414)**
Net income (loss) from discontinued operations	(2,891,580.00)	(2,692,805.00)	(61,857.00)	(3,516,809)	(7,243,866)	(9,360,397)	(4,439,764)	(8,915,758)
Other comprehensive income (loss) from discontinued operations								
Currency translation adjustment	-	331	-	-	-	1,385	(1,097)	-
Net comprehensive income (loss) from discontinued operations	**(2,891,580)**	**(2,692,474)**	**(61,857)**	**(3,516,809)**	**(7,243,866)**	**(9,359,012)**	**(4,440,861)**	**(8,915,758)**
Net comprehensive income (loss)	**32,489,338**	**(3,703,497)**	**(936,133)**	**(4,116,253)**	**(7,934,047)**	**(10,522,052)**	**(5,783,679)**	**(9,958,683)**
Net income (loss) attributable to:								
Shareholders of Cerro de Pasco Resources Inc.	32,523,006	(3,726,132)	(1,022,141)	(4,044,695)	(8,015,249)	(10,444,373)	(5,780,922)	(9,984,820)
Non-controlling interest	-	-	-	-	(17)	(321)	(1,944)	(15,352)
	32,523,006	**(3,726,132)**	**(1,022,141)**	**(4,044,695)**	**(8,015,266)**	**(10,444,694)**	**(5,782,866)**	**(10,000,172)**
Other comprehensive income (loss) attributable to:								
Shareholders of Cerro de Pasco Resources Inc.	(33,668)	22,635	86,008	(71,558)	81,197	(77,635)	(594)	35,850
Non-controlling interest	-	66	-	-	22	277	(219)	5,640
	(33,668)	**22,701**	**86,008**	**(71,558)**	**81,219**	**(77,358)**	**(813)**	**41,490**
Net comprehensive income (loss) attributable to:								
Shareholders of Cerro de Pasco Resources Inc.	32,489,338	(3,703,497)	(936,133)	(4,116,253)	(7,934,057)	(10,521,964)	(5,779,353)	(9,939,258)
Non-controlling interest	-	66	-	-	5	(44)	(2,163)	(9,712)
	32,489,338	**(3,703,431)**	**(936,133)**	**(4,116,253)**	**(7,934,052)**	**(10,522,008)**	**(5,781,516)**	**(9,948,971)**
Weighted averages shares outstanding - basic	411,662,435	359,698,049	345,078,975	335,953,543	324,338,165	316,148,489	289,370,204	287,864,412
Weighted average shares outstanding - diluted	572,501,876	359,698,049	345,078,975	335,953,543	324,338,165	316,148,489	289,370,204	287,864,412
Basic income (loss) per share - continuing operations	0.08	(0.01)	(0.01)	(0.00)	(0.00)	(0.03)	(0.00)	(0.00)
Diluted income (loss) per share - continuing operations	0.06	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)
Basic and diluted income (loss) per share - discontinued operations	(0.01)	(0.01)	(0.00)	(0.01)	(0.02)	(0.03)	(0.02)	(0.03)
Basic income (loss) per share	0.08	-	-	(0.010)	(0.02)	(0.03)	(0.02)	(0.03)
Diluted income (loss) per share	0.06	(0.01)	(0.01)	(0.01)	(0.02)	(0.03)	(0.02)	(0.03)

CERRO DE PASCO RESOURCES INC.
SELECTED QUARTERLY FINANCIAL INFORMATION

	2025 Q2	Q1	2024 Q5	Q4	Q3	Q2	2023 Q1	Q4
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION								
Cash	2,472,284	166,562	136,721	322,294	530,939	1,563,191	1,464,415	992,301
Cash and cash equivalents - restricted	-	4,589,876	6,479,134	4,589,876	4,589,876	4,575,332	4,575,332	4,462,271
Accounts receivable	2,402	605	778,321	51,874	757,931	444,274	6,691,851	5,660,345
Other financial assets	67,018	47,533	50,852	51,975	50,965	44,282	69,502	66,240
Other receivables	276,018	1,226,115	1,030,522	7,602,557	6,389,600	6,077,822	5,462,880	3,427,980
Income and mining taxes receivable	-	1,730	304,956	150,800	147,418	146,794	734,048	701,060
Inventories	-	1,822,429	1,866,670	1,847,761	2,500,584	2,243,973	2,404,669	2,547,917
Prepaid expenses	35,462	256,351	306,410	141,392	378,362	310,055	96,514	223,418
Cash and cash equivalents - restricted (non-current)	-	-	-	-	-	-	-	-
Property, plant & equipment	28,439	10,238,052	10,554,664	10,222,187	11,146,643	11,535,465	10,526,812	9,085,578
Deferred income tax	-	-	-	-	-	-	-	-
Right-of-use assets	-	-	-	-	-	-	-	-
Other receivables, net of current portion	-	5,977,953	6,355,303	-	-	-	-	-
Mining properties, exploration and evaluation assets	2,866,312	10,559,627	9,546,461	9,518,948	9,515,819	9,484,124	9,439,026	8,710,668
Other intangibles		-	-	-	-	-	-	-
Total assets	**5,747,935**	**34,886,833**	**37,410,014**	**34,499,664**	**36,008,137**	**36,425,312**	**41,465,049**	**35,877,778**
Trade accounts payable and other liabilities	2,287,208	54,757,521	53,839,715	50,398,855	48,281,556	43,896,107	39,456,842	29,095,998
Promissory note	-	477,785	458,159	426,180	428,994	438,074	428,562	818,719
Balance of purchase payable	1,687,102	1,663,873	1,680,726	1,717,847	1,684,472	1,720,125	1,682,775	1,674,194
Current portion contingent consideration payable	-	2,500,000	2,500,000	2,500,000	2,500,000	-	2,500,000	2,493,844
Current portion of provision for rehabilitation and mine closure	-	401,043	349,559	301,002	460,488	404,757	357,385	307,752
Current portion of loans	-	3,568,959	3,568,959	3,443,352	2,448,522	28,178	371,885	699,453
Current portion of loan	952,090							
Convertible debenture	897,078	1,052,952	1,208,623	1,137,813	1,115,595	990,509	987,636	922,029
Embedded derivative on convertible debenture	-	-	-	-	-	-	-	-
Provision for taxes payable	-	279,058	279,058	279,058	1,725,501	1,803,393	1,715,112	1,715,112
Total current liabilities	**5,823,478**	**64,708,571**	**65,949,026**	**60,204,107**	**58,645,128**	**49,281,143**	**47,507,586**	**37,727,101**
Loan	2,094,462	27,303	28,749	178,043	212,732	-	-	-
Deferred income tax	-	53,358	53,362	1,050,018	311,812	311,812	311,812	53,301
Contingent consideration payable	2,500,000	-	-	-	-	2,500,000	-	-
Provision for rehabilitation and mine closure	-	12,190,027	12,190,027	13,124,440	13,891,385	13,891,385	13,891,385	13,891,385
Total non-current liabilities	**4,594,462**	**12,270,688**	**12,272,138**	**14,352,501**	**14,415,929**	**16,703,197**	**14,203,197**	**13,944,686**
Equity (Deficiency)	**(4,670,006)**	**(42,092,426)**	**(40,811,150)**	**(40,056,945)**	**(37,052,920)**	**(29,559,028)**	**(20,245,734)**	**(15,794,011)**

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

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

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

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

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

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

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

The net loss of $9,984,820 for Q4-2022 (three-months ended December 31, 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.

RESULTS OF CONTINUING OPERATIONS FOR THE THREE-MONTH PERIOD ENDED September 30, 2024

Net loss

The basic income (loss) per share for the three-month periods ended September 30, 2024 and September 30, 2023 is $0.08 and $(0.02), respectively.

The diluted income(loss) per share for the three-month periods ended September 30, 2024 and September 30, 2023 is $0.06 and $(0.02), respectively.

During the quarter ended September 30, 2024, the Company realized a net income of $32,523,006 as compared to a net loss of $8,015,249 for the quarter ended September, 2023.

This decrease in losses of $40,538,255 is mainly attributable to the Company selling the Santander mine on August 29, 2024 and recognizing a gain on sale of subsidiary in the current quarter.

Operating expenses

During the three-month period ended September 30, 2024, operating expenses from continuing operations were $1,372,925 as compared to $880,569 for the three-month period ended September 30, 2023. The increase in operating expenses by $492,356 is attributable to the increase in general and administrative expenses, specifically the increase in stock compensation by approximately $245,000 and audit and accounting fees incurred in relation to the audit of $283,000, offset by a slight decrease in G&A expenses allocable to Sucursal del Peru, during the quarter ended September 30, 2024 compared to September 30, 2023.

Other revenues (expenses)

During the three-month period ended September 30, 2024, total other revenue (expenses) from continuing operations was $36,787,511 as compared to other revenue (expenses) of $99,444 for the three-month period ended September 30, 2023.

The net increase of $36,675,218 in income is mainly attributable to gain recognized on sale of the Santander subsidiary in current quarter for $30,562,850 and a gain on the modification of note of $6,279,835.

RESULTS OF CONTINUING OPERATIONS FOR THE SIX-MONTH PERIOD ENDED September 30, 2024

Net loss

The basic income (loss) per share for the six-month periods ended September 30, 2024 and September 30, 2023 is $0.08 and $(0.06), respectively.

The diluted income(loss) per share for the three-month periods ended September 30, 2024 and September 30, 2023 is $0.06 and $(0.06), respectively.

During the six-month period ended September 30, 2024, the Company realized a net income of $28,796,543 as compared to a net loss of $18,459,938 for the six-month period ended September, 2023.

This decrease in losses of $47,256,481 is mainly attributable to the Company selling the Santander mine on August 29, 2024 and recognizing a gain on sale of subsidiary in the current quarter.

Operating expenses

During the six-month period ended September 30, 2024, operating expenses from continuing operations were $2,210,850 as compared to $1,962,698 for the six-month period ended September 30, 2023. The increase in operating expenses by $248,152 is attributable to the increase in general and administrative expenses generated by CDPR Inc., specifically the increase in stock compensation and consulting fees by approximately $245,000 during the period ended September 30, 2024 compared to September 30, 2023.

Other revenues (expenses)

During the six-month period ended September 30, 2024, total other revenue (expenses) from continuing operations was $36,592,111 as compared to other revenue (expenses) of $97,275 for the six-month period ended September 30, 2023.

The net increase of $36,494,836 in income is mainly attributable to gain recognized on sale of the Santander subsidiary in current quarter for $30,562,850 and a gain on the modification of loan outstanding of $6,279,835.

CASH FLOWS

Cash flows from (used for) operating activities

Cash flows used for operating activities were ($1,629,806) during the six-months ended September 30, 2024, a decrease of $153,145 as compared to cash flows used for operating activities of ($1,782,951) during the six-months ended September 30, 2023.

The increase in cash flows used in operating activities is mostly attributable to the large decrease in the change of working capital items from $14,102,714 down to $5,139,292. The decrease of the change of working capital items was offset by the increase in net income of $47,256,481 period over period and offset by loss in modification of loan of $6,279,835 and gain on sale of subsidiary of $30,562,851 for the six months ended September 30, 2024 compared to 2023.

Cash flows from (used for) financing activities

Cash flows generated from financing activities were $5,616,423 during the six-months ended September 30, 2024, an increase of $1,943,047 as compared to cash flows used in financing activities of $3,673,376 for the six-months ended September 30, 2023.

The increase was mostly caused by the increase in net proceeds received from shares issued of $6,517,473 as compared to $1,496,519 in the prior period. This increase was offset by repayment of convertible debenture and promissory note totaling $878,281 compared to $74,500 in prior period and further offset by the proceeds received from loans of $2,699,819 in the prior period.

Cash flows used for investing activities

Cash flows used for investing activities were ($1,812,838) during the six-months ended September 30, 2024, a decrease of $1,003,035 as compared to cash flows used for investing activities of ($2,815,873) for the six-months ended September 30, 2023.

The decrease in cash flows used for investing activities was mostly attributable to the large decrease of acquisition of property, plant, and equipment of net $2,242,754, offset by the increase in investment in mining concessions and mining development of $942,689.

OTHER FINANCIAL DISCLOSURES

Related party transactions

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

	Three-month period ended		Six-month period ended	
	September 30, 2024	**September 30, 2023**	**September 30, 2024**	**September 30, 2023**
	$	**$**	**$**	**$**
Management and consulting fees	188,572	595,515	382,178	595,515
Salaries and director's fees	94,453	246,891	193,024	263,448
Share-based compensation	139,752	105,821	139,752	105,821
	422,777	**948,227**	**714,954**	**964,784**

As of September 30, 2024, the Company owed $239,724 (March 31, 2024 - $342,848) to various related parties (included in trade accounts payable and other liabilities).

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

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

Contingency

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

Off-financial position arrangements

As of September 30, 2024, the Company had no off-financial position arrangements.

Going concern assumption

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

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

Liquidity and capital resources

For the six-month period ended September 30, 2024, the Company recorded a net income attributable to shareholders of $28,796,543 due mainly to the sale of the Santander mine. As of September 30, 2024, the Company had an accumulated deficit of $44,186,091 ($72,954,894 as of March 31, 2024) and an accumulated other comprehensive income(loss) of $768,508 ($752,120 as of March 31, 2024).

As of September 30, 2024, the Company had a working capital deficit of $5,470,295 (working capital deficit of $54,995,440 as of March 31, 2024), which is mainly attributable to the trade payables balance of $2,287,210 ($53,839,715 as of March 31, 2024). Cash consists of unrestricted cash of $2,472,284 ($136,721 as of March 31, 2024) and restricted cash and cash equivalents of $0 ($6,479,134 as of March 31, 2024). For the six-months ended September 30, 2024, the Company used $1,629,806 from operating activities, generated $5,616,423 from financing activities, and used $1,812,838 from investing activities, leading to a net cash in-flow of $2,173,779.

These uncertainties cast significant doubt regarding the Company's ability to continue as a going concern; unless any funding shortfall may be met in the future in a number of ways, including but not limited to the issuance of new equity instruments. During the six-month period ended September 30, 2024, the Company was able to raise additional funds of about $6.7 million, net of issuance costs, to mitigate cash flow concerns. Furthermore, the Company disputes charges of approximately $4.2 million, the details of which can be found in Note 13. Subsequent to period-end, the Company was able to raise an additional $300,000 as part of a private placement (see Note 21 of the condensed consolidated financial statements for more details). While management has been successful in raising financing in the past, there is no assurance that it will succeed in obtaining additional financing in the future operations.

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

Capital management policies and procedures

The Company's capital management objectives are to ensure its ability to continue as a going concern and to maximize the return of its shareholders. The Company's definition of capital includes all components of equity and long-term debt. 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 interim financial statements:

	Number of shares outstanding (diluted)
Outstanding as of November 25, 2024	439,768,503
Shares reserved for issuance pursuant to share purchase options	21,280,000
Shares reserved for issuance pursuant to warrants	149,530,797
	610,579,300

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

Expiry date	Number of granted share options	Number of exercisable share options	Exercise price	Remaining life
			$	(years)
August 28, 2025	2,590,000	2,590,000	0.40	0.8
September 5, 2025	1,400,000	1,400,000	0.20	0.8
March 2, 2027	1,040,000	1,040,000	0.40	2.3
April 10, 2027	150,000	75,000	0.15	2.4
September 5, 2028	3,450,000	3,450,000	0.20	3.8
April 10, 2029	250,000	125,000	0.15	4.4
September 19, 2029	12,400,000	12,400,000	0.20	4.8
	21,280,000	**21,080,000**	**0.12**	**0.9**

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

Expiry date		Number of outstanding warrants	Exercise price	Remaining life
			$	(years)
March 22, 2025		8,245,000	0.25	0.3
March 24, 2025		6,860,000	0.25	0.3
March 31, 2025		9,120,000	0.25	0.3
May 31, 2025		1,823,720	0.25	0.5
June 5, 2025		8,357,500	0.25	0.5
June 20, 2025		450,000	0.25	0.6
June 23, 2025		591,500	0.25	0.6
July 18, 2025		500,000	0.50	0.6
July 26, 2025		500,000	0.50	0.7
August 26, 2025		500,000	0.50	0.8
September 26, 2025		500,000	0.50	0.8
September 29, 2025		1,580,000	0.15	0.8
September 29, 2025	**	1,705,000	0.25	0.8
October 6, 2025		1,734,000	0.15	0.9
October 6, 2025	**	1,734,000	0.25	0.9
October 26, 2025		400,000	0.25	0.9
November 20, 2025		5,525,000	0.15	1.0
November 20, 2025	**	5,525,000	0.25	1.0
November 26, 2025		400,000	0.25	1.0
December 22, 2025		400,000	0.25	1.1
January 26, 2026		400,000	0.25	1.2
February 26, 2026		400,000	0.25	1.3
January 17, 2026		1,260,900	0.15	1.1
January 31, 2026		1,260,900	0.25	1.2
March 28, 2026		1,600,000	0.15	1.3
March 28, 2026	**	1,600,000	0.25	1.3
April 8, 2026		4,283,277	0.50	1.4
May 24, 2026		12,935,000	0.15	1.5
May 24, 2026	**	12,960,000	0.25	1.5
July 7, 2026		32,880,000	0.15	1.6
September 26, 2026		10,000,000	0.20	1.8
November 6, 2026		3,000,000	0.25	1.9
November 26, 2026		3,000,000	0.50	2.0
January 21, 2028		5,000,000	0.15	3.2
May 1, 2028		2,500,000	0.15	3.4
		149,530,797	**0.22**	**1.3**

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

FINANCIAL RISK MANAGEMENT

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

RISK AND UNCERTAINTIES

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

RITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

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

OPERATIONAL RISKS

INDUSTRY CONDITIONS

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

CERTAIN RISKS ASSOCIATED WITH THE EL METALURGISTA CONCESSION

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

ENVIRONMENTAL MATTERS

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

LICENSES AND PERMITS

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

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

POLITICAL AND COUNTRY RISKS

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

PRODUCTION AND COST ESTIMATES

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

DEPENDENCE ON MANAGEMENT

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

COMPETITION

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

SHARE PRICE VOLATILITY

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

UNINSURED RISK

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

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

LITIGATION

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

INCREASED COSTS AND COMPLIANCE RISKS OF BEING A PUBLIC COMPANY

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

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

ANTI-CORRUPTION LAWS

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

EXPLORATION AND MINING RISKS

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

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

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

STAGE OF DEVELOPMENT

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

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

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

RISKS RELATED TO STATUTORY AND REGULATORY COMPLIANCE

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

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

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

TITLE RISKS

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

CONFLICT OF INTERESTS

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

KEY EMPLOYEES

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

FINANCIAL RISKS

METAL PRICE VOLATILITY

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

FOREIGN EXCHANGE RATE FLUCTUATIONS

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

CAPITAL NEEDS

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

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

CANADA CUSTOMS AND REVENUE AGENCY

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

REPUTATIONAL RISK

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

CERTIFICATION OF ANNUAL FILINGS

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

- The President and Chief Executive Officer and the Chief Financial Officer confirm to have reviewed the annual financial statements and the annual MD&A (together, the "annual filings") of the Company for the six-months ended September 30, 2024.
- Based on their knowledge, having exercised reasonable diligence, the President and Chief Executive Officer and the Chief Financial Officer confirm that the annual filings do not contain any untrue statement of a material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it was made, for the period covered by the annual filings.

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